

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1919.

No. 555

111

NATIONAL BRAKE & ELECTRIC COMPANY, PETITIONER,

vs.

NIELS A. CHRISTENSEN AND ALLIS-CHALMERS COMPANY.

ON WRIT OF HABEAS CORPUS TO THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE SEVENTH CIRCUIT.

PRINTED FOR THE SUPREME COURT OF THE UNITED STATES.

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SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1919.

No. 382.

NATIONAL BRAKE & ELECTRIC COMPANY, PETITIONER,

vs.

NIELS A. CHRISTENSEN AND ALLIS-CHALMERS COMPANY.

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE SEVENTH CIRCUIT.

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a In the United States Circuit Court of Appeals for the Seventh Circuit.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Appellant-Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Appellees-Respondents.

Volume I.

Pleadings in re Petitioner's Application for an Order Directing Dismissal of Bill Brought in the United States District Court for the Eastern District of Wisconsin.

Mr. Charles A. Brown, Mr. John S. Miller, Mr. Thomas B. Kerr, Counsel for Appellant-Petitioner.

Mr. Joseph B. Cotton, Mr. Willet M. Spooner, Mr. Louis Quarles, Counsel for Respondents-Appellees.

b (Filed August 19, 1918.)

United States Circuit Court of Appeals for the Seventh Circuit.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Appellant,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Appellees.

In the Matter of the Application of National Brake & Electric Company for an Order Directing the Dismissal of the Bill of Complaint Brought against it by said Plaintiffs in the United States District Court for the Eastern District of Wisconsin—in Equity, No. 474—and for a Stay of Proceedings in the District Court until Application is Heard and Determined.

And now comes National Brake and Electric Company by its solicitors, and hereby moves this Court to enter an order directing the dismissal by the District Court of the United States for the Eastern District of Wisconsin, of the bill of complaint brought and filed against said National Brake and Electric Company, as defendant, by Niels A. Christensen and Allis-Chalmers Company, as plaintiffs, in the United States District Court for the Eastern District of Wisconsin, Equity Number 474, said dismissal to be at the costs of

the said plaintiffs; said suit being the same suit which was pending in this Court upon the said appeal of said National Brake and Electric Company as No. 2163 of the October Term, 1913, of this Court, from the interlocutory decree of said District Court enjoining said defendant National Brake and Electric Company from infringing patent No. 635,280, as appears by the transcript upon said appeal now remaining in this Court.

2. This motion is based upon the ground that all of the issues in the case have been fully and finally determined and adjudicated in said defendant's favor by the United States Circuit Court of Appeals for the Third Circuit and by the final decree of the District Court for the Western District of Pennsylvania in the suit between the said plaintiffs and the Westinghouse Traction Brake Company, with which company this said defendant was in privity.

3. Said National Brake and Electric Company begs to refer to the records of this Court in the matter of the above appeal as to the proceedings in this Court upon said appeal No. 2163.

4. In support of this motion and application, your petitioner shows that in and by the interlocutory decree of the said District Court from which said appeal was taken, it was ordered, adjudged and decreed, that the petition of Niels A. Christensen No. 635,280, dated October 17, 1899, for "Combined Pump and Motor" is good and valid as to each and every of the claims thereof; and that the defendant, National Brake & Electric Company, its officers, agents, representatives, attorneys, employes, servants and workmen and each of them, and any and all others acting by and under its authority, for the remainder of the term of 17 years from and after March 21, 1899, be and they were enjoined and restrained from making, selling or using and causing to be made, sold or used, any combined pump and motor embodying the improvements described in any of the claims of said letters patent No. 635,280; and that Louis M. Ogden be appointed a Master to ascertain and report to the court the number of combined pumps and motors embodying the subject-matter of the claims of said patent number 635,280 and that have been made and sold by defendant in infringement of the patent, and the gains and profits made by defendant thereon and the damages sustained by complainant by reason of such manufacture, use and sale; as by reference to said decree appearing in the transcript of the above entitled case in this Court, at page 343 thereof, will appear.

5. That on March 11, 1916, the said plaintiffs, Christensen and Allis-Chalmers Company filed their bill of complaint in the United States District Court for the Western District of Pennsylvania against the Westinghouse Traction Brake Company with which company your petitioner was then and theretofore and since and is in privity, alleging the infringement by and on the part of the said Westinghouse Traction Brake Company of certain letters patent, among which were the alleged patents numbers 621,324 and 635,280 to the said plaintiff Christensen, issued on separate dates but each

being for the full term of 17 years. The said bill, as originally filed, was based upon the two alleged patents last mentioned relating to the combined pump and motor and was for the alleged like infringement by the defendant therein of the same patents, and another patent No. 680,832 on a compressor valve. It was alleged in said suit in the Eastern District of Wisconsin, said bill of complaint being cast in the same form and mold and containing the same or similar allegations and charges as the said amended bill of complaint filed in the said suit in the District Court of the United States for the Eastern District of Wisconsin on November 12, 1913, contained in the record of the said appeal to this Court, No. 2163; that the defendant, the Westinghouse Traction Brake Company filed its answer to the said bill of complaint against it; and that said suit in said District Court for the Western District of Pennsylvania contained and presented the same issues as were presented and contained in the said suit in the District Court of the United States for the Eastern District of Wisconsin. Your petitioner presents herewith a copy of the said bill of complaint in the said District Court for the Western District of Pennsylvania and asks that the same be taken with and as a part of this application.

6. That said suit and case in the said District Court for the Western District of Pennsylvania came on for hearing before that court upon the pleadings and proofs therein and such proceedings were had in that Court in that suit and cause, that afterwards on October 1, 1917, it was therein by said Court upon such hearing ordered, adjudged and decreed that said patent No. 635,280 to Niels A. Christensen dated October 17, 1899, for combined pump and motor was invalid, having been issued without warrant of law; and that the said bill of complaint in that suit be and it was dismissed as to said patent No. 635,280, with costs to defendant. That said decree last mentioned was entered in accordance with the mandate of the Circuit Court of Appeals of said Third Circuit, which was filed in said District Court of the Western District of Pennsylvania on August 3, 1917.

7. That thereupon on the same October 1, 1917, such further proceedings were had in the said suit in said District Court for the Western District of Pennsylvania that by the order, decree and judgment of that Court said suit therein was dismissed for want of prosecution.

That petitioner and applicant contends and will submit that the said final decree and order of the said District Court of the United States for the Western District of Pennsylvania of October 1, 1917, constitute a final, irreversible adjudication; that such patent number 635,280 was and is invalid and void.

8. Petitioner produces and herewith presents before and to this Court an authenticated transcript of the said proceedings and judgment and order in said suit in the District Court of the United States for Western District of Pennsylvania and also of the proceedings in and mandate of said United States Circuit

Court of Appeals for the Third Circuit in which that Court found and determined that said patent number 635,280 was invalid and void.

9. Petitioner is advised by Counsel that this honorable court, having in and by its judgment and decree of October 5, 1915, in the above entitled cause in said appeal No. 2163, ordered, adjudged and decreed that said decree of August 21, 1914, of said District Court for the Eastern District of Wisconsin be and the same was thereby affirmed, the said District Court last mentioned has not, without the assent or authority of this court, or may not have the right or power under and in accordance with the principles of law governing said court, or the practice and procedure in such cases, to entertain a motion or application or to set aside or modify or disregard its said decree of August 21, 1914, so affirmed by this Court; to dismiss the said bill of complaint in said suit against the petitioner, but that this Court has now such jurisdiction and power to entertain this motion or application and to adjudge and determine that the judgment and decree of said District Court of the United States for the Western District of Pennsylvania of October 1, 1917, is final, valid and irreversible adjudication that said letters patent No. 635,280, was and is invalid and void; that such adjudication is binding upon the parties to said suit in the said District Court for the Eastern District of Wisconsin; and that by reason thereof and by the said order of the said District Court for the Western District of Pennsylvania dismissing said suit therein for want of prosecution, the said suit in the District Court for the Eastern District of Wisconsin should and of right ought to be dismissed upon the motion of the defendant—this petitioner.

10. That it appears from the record of such cause upon the said appeal to this court No. 2163, and from the record of that suit in the said District Court that after the issue of said letters patent No. 621,324, dated March 21, 1899, and on or about September 16, 1899, the said plaintiff, Christensen, returned the said letters patent last mentioned to the Commissioner of Patents, together with a letter and petition of himself in which he refused to accept said letters patent No. 621,324, and requested that the same be cancelled, and that new letters patent be issued to him in conformity of the record of the case in the Patent Office, and that the Commissioner of Patents thereby complied with said request and broke the seal of said letters patent last mentioned and marked or caused the same to be marked cancelled; and that thereby afterwards on or about October 17, 1899, and under that date issued said letters patent number 635,280, and delivered to, and the same were accepted by said Christensen; in and by which letters patent last mentioned it was stated and provided that such letters patent were to grant unto the said Christensen, his heirs or assigns for the term of 17 years from the said 17th day of October, 1899, the exclusive right to make, use and vend the said invention therein mentioned throughout the United States and the territories thereof.

11. That the validity of said patent 621,324 has never been adjudicated or determined in the said suit in the said District Court for the Eastern District of Wisconsin or in any other Court; nor has this defendant ever been found or adjudged to have infringed the same; and that there is no decree under which or basis upon which an accounting of or decree for profits or damages against this defendant for the infringement of said patent 621,324 could be had, made or entered.

12. That notwithstanding the premises aforesaid the said Master in Chancery to whom the said suit in said District Court for the Eastern District of Wisconsin was referred for the purpose of taking an account as aforesaid has proceeded and is proceeding with the taking of such account; but that the taking of such account and the proofs and testimony thereon are not yet completed.

That the bill of complaint in said suit last mentioned alleges that the motor compressors, articles and apparatus made under plaintiffs' alleged grant have been and were marked under said alleged patent 635,280 and there is no allegation or proof that the same or any thereof were marked under said alleged patent 621,324.

13. This applicant and petitioner further shows that by reason of the circumstances in the last paragraph herein stated, the said accounting is without any authority of law; and that there is an emergency, because of which, as it submits, the further taking of the evidence or proceedings upon such accounting should be stopped and the other therefore set aside and discharged, and that in the meantime such accounting should be stayed and postponed until this application and petition and the matters aforesaid may be fully determined by this Court.

g 14. That at and before the time of the entry of the said decree and order in said suit in the District Court for the Western District of Pennsylvania, in and by which the said patent No. 635,280 was adjudged to be invalid and void, and by which the said suit was dismissed for want of prosecution, all the facts necessary to a final decree upon the merits as to the said alleged patent No. 621,324 and as to the validity thereof, as well as to and to the validity of said patent 635,280, were already in the record in the allegations of the bill of complaint and in the admissions of the answer, and there was nothing left to be determined or adjudicated except the legal questions and points thereon involved and presented thereby, and that prior to the entry of said decree and order last mentioned this defendant had made and presented and argued to and before said last mentioned court its motion for judgment in its favor in said suit last mentioned as to said alleged patent No. 621,324 and the validity thereof, as well as to said alleged patent 635,280.

15. This applicant and petitioner moves and prays, the premises considered, that this Honorable Court take jurisdiction and cognizance hereof and inquire into and determine the status of said case as herein outlined, and as to the force and effect of said final judgment and order in the said suit in the District Court for the Western District of Pennsylvania, and find and adjudge that the same was

and is a valid and final adjudication against said patent No. 635,280, and that said patent last mentioned was and is invalid and void; and also that said final decree and order of said District Court last mentioned was and is a final and binding adjudication against the said Christensen of the merits of said suit, as to said alleged patent No. 621,324 and that such adjudication is final and binding upon him, said Christensen and all claiming under him, in this suit and that this defendant is entitled thereon to a final decree in said suit in the District Court for the Eastern District of Wisconsin, dismissing said suit for want of equity; and that said District Court last mentioned be directed to proceed and act accordingly; and that this court for the purpose hereof, make such order in the premises, and issue such writ or writs of certiorari or otherwise as may be necessary or proper, ordering and directing said District Court last mentioned to enter such orders or to certify such records and proceedings to this Court for its consideration and determination, as to this Court shall seem proper; and for such other and further or different orders, directions, writs or relief as, the premises considered, *h* to this Court shall seem proper or necessary, to the end that the writs and equities of this applicant and petitioner be secured and enforced.

In support of this motion defendant will also file with this Court, at or before the hearing, a certified copy of the record on defendant's motion to dismiss said bill of complaint heretofore filed by the Clerk of the United States District Court for the Eastern District of Wisconsin.

CHARLES A. BROWN,
*Solicitor for National Brake
and Electric Company.*

CHARLES A. BROWN,
JOHN S. MILLER,
Of Counsel.

United States Circuit Court of Appeals for the Seventh Circuit.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Appellant-Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Respondent-Appellees.

Upon the filing of the petition by Appellant-Petitioner, National Brake & Electric Company, and the Court being advised in the premises, it is ordered that the answer of the Respondent-Appellees to said petition be filed herein by or before September 15, 1918.

Approved:

CHARLES A. BROWN,
For Appellant-Petitioner.
LOUIS QUARLES,
Solicitor for Respondent-Appellees.

(Filed September 10, 1918.)

United States Circuit Court of Appeals for the Seventh Circuit.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Appellant-Petitioner,

VS.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Respondents-Appellees.

Now come Niels A. Christensen and Allis-Chalmers Company and for answer to the application of National Brake & Electric Company filed August 19, 1918, admit, deny, and allege as follows:

1. Admit that the suit which said defendant National Brake & Electric Company (hereinafter called the petitioner) asks to be dismissed at the cost of the plaintiffs (hereinafter called respondents) is now pending in the District Court of the United States for the Eastern District of Wisconsin between the parties hereto and is known as Equity No. 474, and that an appeal had been duly taken therein from the decree therein of August 21, 1914, by said petitioner to this court and known as No. 2163 of October term 1913 of this court.

2. Deny that all or any of the issues in said case have been finally determined or adjudicated in favor of petitioner by the United States Circuit Court of Appeals for the Third Circuit or by the United States District Court for the Western District of Pennsylvania in an action in which Westinghouse Traction Brake Company was a party or otherwise, and deny that the respondents or either of them were or are in privity with said Brake Company.

3. Consent that said petitioner may refer to the records in this court in the matter of the said appeal, No. 2163.

4. Admit that in and by the decree of the said District Court of the United States for the Eastern District of Wisconsin in said suit, Equity No. 474, it was ordered, adjudged and decreed that respondent Christensen had obtained from the United States letters patent for a combined pump and motor that were good and valid as to each and every claim thereof, and that the petitioner was enjoined from infringing thereon for the remainder of the term of seventeen years from and after March 21, 1899, said date being the date of the issuance of patent No. 621,324 hereinafter mentioned; and that a master was appointed to report profits and damages by reason thereof, but deny that said district court held that respondent Christensen's patent was evidenced solely by letters patent No. 635,280 or that its judgment or decree was solely founded thereon. And respondents further allege that there was duly issued to respondent Christensen letters patent No. 621,324 dated March 21, 1899, and that said respondent in or about September 1899 discovered that said letters patent were erroneous in that they contained

a fugitive sheet of drawing which did not belong therein, and in or about September 16, 1899 said respondent returned said letters patent to the Commissioner of Patents together with a letter and petition in which he refused to accept said letters patent No. 621,324 and requested that the same be cancelled, and that new letters patent be issued to him in conformity with the record of the case in the Patent Office, and that the Commissioner of Patents thereby complied with said request and broke the seal of said letters patent last mentioned and marked or caused the same to be marked cancelled; and that thereby afterwards on or about October 17, 1898 and under that date issued said letters patent No. 635,280, which were in all respects identical with said letters patent No. 621,324 except as to the date and date of expiration thereof and the omission of said fugitive sheet therefrom, and in and by which letters patent last mentioned it was stated and provided that such letters patent were to grant unto the said respondent Christensen, his heirs or assigns for the term of seventeen years from the said 17th day of October, 1899, the exclusive right to make, use, and vend the said invention therein mentioned throughout the United States and the territories thereof, and respondents hereby refer to the opinion of the said District Court and the opinion of this court appearing on pages 333 and 486 of the transcript on said appeal, No. 2163, and to the further opinion of the District Court on the motion to dismiss recently made by petitioner, copy of which is included in the transcript of record herein.

5. Admit the filing of the bill of complaint against the Westinghouse Traction Brake Company as alleged in paragraph 5 of the petition, but deny that respondents or either of them were or are in privy therewith. Further allege that said bill was based on a grant of monopoly or patent contract from the United States to said respondent Christensen, which was evidenced by either or both of the aforesaid letters patent and included also a claim of infringement of patent No. 680,832 to said Christensen on a compressor valve which said last mentioned claim of infringement did not appear in the aforesaid suit, Equity No. 474, in the District Court of the United States for the Eastern District of Wisconsin. Admit that defendant Westinghouse Traction Brake Company answered said bill of complaint, deny that said suit contained or presented the same or similar issues, but allege that it presented other and different issues than were presented in the said suit in the Eastern District of Wisconsin, Equity No. 474, and respondents include in the transcript of record hereon a copy of the answer to said bill of complaint in the said suit in the Western District of Pennsylvania.

6. Deny that said suit in the District Court of the United States for the Western District of Pennsylvania came on for hearing before that court upon pleadings and proofs or that there ever was any trial, hearing, or determination therein, but allege the fact to be that when said suit was reached on the calendar it was dismissed without prejudice on the motion of plaintiffs therein February 24, 1917. Respondents further allege that thereafter, to-wit, on or about the 23rd day of April, 1917, petitioner filed a petition for a writ of

certiorari or mandamus in the United States Circuit Court of Appeals for the Third Circuit, entitled Niels A. Christensen and Allis-Chalmers Manufacturing Company, Plaintiffs, v. Westinghouse Traction Brake Company, Defendant, and that thereafter such proceedings were had and taken therein that by consent of the parties and not otherwise the said Circuit Court of Appeals for the Third Circuit determined on July 3, 1917 that as between said patents numbered respectively 621,324 and 635,280 and in so far as the allegations as to the issuance thereof were contained in the bill and answer in said suit in the Western District of Pennsylvania, both could not be valid evidence of a monopoly grant to respondent Christensen, and that the first of them was valid and the second of them void.

Respondents further show that the mandate of said Court of Appeals for the Third Circuit issued thereon on the 3rd day of July, 1917, directed said District Court of the United States for the Western District of Pennsylvania to enter a decree dismissing the bill of complaint as to said patent No. 635,280 only and left pending before said court for further disposition said bill of complaint and all of the issues as to the validity and infringement of the said grant of patent monopoly to said respondent Christensen, and particularly, as evidenced by said patent No. 621,324, and that on October 1, 1917 pursuant to said mandate of July 3, 1917, a decree as to said patent No. 635,280 was entered by said District Court for the Western District of Pennsylvania.

7. Answering the allegations of paragraph 7 of the petition, respondents allege that on the same date on which the aforesaid decree of October 1, 1917 was entered by said District Court for the Western District of Pennsylvania the said court also entered a decree dismissing the said suit therein as to the patent and monopoly right of respondent Christensen as evidenced by patent No. 621,324 for want of prosecution, and that said decision was not and is not a decision on the merits of the said patent or monopoly right or any part thereof. Respondents further allege that the said order was entered without notice to them and without any hearing, trial, or determination of the merits of respondent Christensen's patent or any part thereof.

Respondents further show that thereafter the said petitioner not being satisfied with the said decree dismissing the said suit in the said United States District Court for the Western District of Pennsylvania, applied for a decree upon the merits of the said monopoly grant and patent to said respondent Christensen as evidenced by patent No. 621,324 and in form obtained the same under date of January 7, 1918, and upon the same coming to the attention of counsel for respondents the same was duly vacated, set aside, and held for naught by said District Court for the Western District of Pennsylvania upon the ground, among others, that said decree was contrary to the facts in that it pretended to adjudicate and determine the merits of the controversy, whereas in truth and in fact there had been no trial, adjudication, or determination thereof, and said decree of January 7, 1918 was set aside and the decree of October 1,

1917 recognized as of full force and effect by decree dated March 11, 1918.

Respondents further show that thereafter the said defendant Westinghouse Traction Brake Company duly filed in the United States Circuit Court of Appeals for the Third Circuit a further and supplemental petition for mandamus and certiorari to review the decree and action last herein referred to; that thereafter such proceedings were had and taken therein that the said United States Circuit Court of Appeals for the Third Circuit under date of June 3, 1918 duly

affirmed the action of said United States District Court for the Western District of Pennsylvania in refusing to enter any decree upon the merits of the said monopoly grant and patent to said respondent Christensen, all of which will more fully and at large appear by the transcript of the proceedings of said courts which is hereby made a part of the record herein.

8. Respondents consent that petitioner may include in the record upon its said petition the motion and proceedings of the District Court of the United States for the Western District of Pennsylvania and the proceedings of the United States Circuit Court of Appeals for the Third Circuit, providing that the same include all of the aforesaid proceedings hereinbefore referred to and set up in this answer directly or by reference.

9. Respondents allege that notwithstanding the doubt which petitioner now claims to have as to the power of the United States District Court for the Eastern District of Wisconsin in said suit, Equity No. 474, it duly moved said court on the 9th day of March 1918, to dismiss the bill of complaint for the same reasons as are now set up in its petition to which this is an answer, and that a hearing was duly had thereon and such proceedings were duly had and taken therein that said United States District Court for the Eastern District of Wisconsin duly denied said petition and motion and filed a written opinion thereon on the 26th day of July, 1918; that an order was duly made and entered therein on the 31st day of July, 1918, denying said motion. That said order has never been modified, set aside, or reversed, and now is in full force and effect, and is a binding and conclusive adjudication as between the parties hereto of the rights of the parties to have the said suit, Equity No. 474, continue, and that the same is res adjudicata as to all the questions therein voluntarily raised by petitioner and submitted to said District Court and duly and finally determined by it. Respondents further allege that in making said motion to dismiss before the United States District Court for the Eastern District of Wisconsin in said suit, Equity No. 474, petitioner voluntarily elected to submit said issue to a competent tribunal and that its action thereon amounts to an election of remedies and estops it from denying the validity of the decision rendered therein and that the same is binding upon it in this proceeding and elsewhere.

Respondents further deny that this court has any power or jurisdiction to entertain the motion and petition of said petitioner or to set aside or modify or disregard the decree of the said District

n Court for the Eastern District of Wisconsin of August 21, 1914, or the mandate and decree of this court of October 5, 1915, and allege that the same and each of them is a valid and subsisting decree and is binding on the parties hereto; and respondents further deny that the adjudication and decree of the United States District Court for the Western District of Pennsylvania of October 1, 1917 or of any other date is an adjudication that respondent Christensen's monopoly grant and patent is void or that it is binding on the parties hereto, or in any wise affects the proceedings in said suit in the Eastern District of Wisconsin, Equity No. 474, or that the rights of respondents are in any wise affected thereby.

10. Respondents admit the allegations in paragraph 10 of the petition.

11. Respondents allege that the validity of patent No. 621,324 has been duly adjudicated and determined by the District Court of the United States for the Eastern District of Wisconsin in said suit, Equity No. 474, and by this court upon the said appeal therefrom, No. 2163, and that petitioner has been found to infringe the same, and that there is a full and sufficient decree under which an accounting for profits and damages against it for the infringement of said patent No. 621,324 can be had and concluded.

Respondents further pray that in so far as this court may find and determine that it is advisable or necessary that the aforesaid decree of the District Court of the United States for the Eastern District of Wisconsin of August 21, 1914, Equity No. 474, and the opinion and mandate of this court on appeal therefrom, No. 2163, should refer to the grant of patent monopoly right in respondent Christensen without reference to any particular patent number, or should refer specifically to said patent No. 621,324, the same be amended and corrected in that respect or respects so as to specifically refer thereto and to the grant of monopoly right in respondent Christensen as evidenced thereby,

12. Respondents further allege that in the said suit, Equity No. 474, proceedings have been going on since the entry of said decree of August 21, 1914, a large amount of testimony has been taken, that the master, Honorable Harry L. Kellogg has made findings and determination of the principal portions of the issues involved between the parties therein, and that respondents are now engaged in taking rebuttal testimony therein, and that the same is not yet completed.

Admit that the bill of complaint in said suit alleges marking under said patent No. 635,280 and further allege that petitioner has made no claim of want of knowledge or notice in said proceedings o prior to the entry of the decree of August 21, 1914, and did not raise the question of want of notice before the District Court of the United States for the Eastern District of Wisconsin or the Master in the accounting proceeding, and that said want of notice, if any there had been, has thereby been waived and abandoned; further allege that there is conclusive proof in the record in said

Equity No. 474 that defendant had due knowledge and notice under the statute of patent No. 621,324 and patent No. 635,280 prior to its infringement thereof, that it wantonly infringed after notice thereof, and also that there was no issue in said suit as to plaintiff's marking of the motor compressors made under said patents No. 621,324 and 635,280 under the said patents, and consequently no necessity of taking proofs thereon.

Respondents further allege that after the entry of said decree of October 1, 1917, petitioner proceeded for a long period of time, to-wit, until the 9th day of March 1918, with the putting in of its testimony before the Master in the said case, Equity No. 474, and that it made no motion therein based on said decree until after it had completed its testimony, and that its proceedings therein and delay in filing its petition herein have been undue and unwarranted and amount to a waiver of any rights that it may have had and a lack of diligence and laches and bar it from raising any question thereon at this time.

13. Respondents respectfully allege that said accounting is lawfully proceeding and that petitioner is estopped from denying the same by the said order and judgment of the District Court of the United States for the Eastern District of Wisconsin entered on July 31, 1918; deny that there is any emergency and alleges that the petition for stay was made by said petitioner which was argued before the Honorable Francis E. Baker, judge of the above entitled court on August 19, 1918, and denied; that thereupon it withdrew its request for a stay.

14. Deny that at and before the entry of the said decree of October 1, 1917, in the suit heretofore pending in the United States District Court for the Western District of Pennsylvania or at any other time all the facts necessary to a final decree upon the merits as to patent No. 621,324 and as to the validity thereof were of record in the allegations of the bill of complaint and the admissions of the answer, or that there was merely left the determination of legal questions arising thereon; deny that prior to the entry of said decree said petitioner presented or argued before said court a motion for judgment in its favor on the merits on said patent No. 621,324 or ever obtained any judgment thereon or ever obtained any judgment on the merits of the said controversy, but allege that no trial, hearing, or determination as to the merits of the said controversy or the validity of said grant and monopoly of respondent Christensen as to patent No. 621,324 was ever had in or any determination made by said District Court of the United States for the Western District of Pennsylvania.

15. Respondents hereby deny each and every allegation in said petition and each and every part thereof not hereinbefore expressly admitted, qualified, or denied.

Wherefore respondents respectfully request that this Honorable Court hold that it has no jurisdiction of the petition of the said petitioner and refuse to take jurisdiction or cognizance thereof, and

that it hold and adjudge that the decree of this court and of the District Court of the United States for the Eastern District of Wisconsin hold the patent and monopoly right of respondent Christensen to be valid and infringed by petitioner, and for an accounting for profits and damages is a final decree and binding upon the parties hereto, and that the proceedings of the District Court of the United States for the Western District of Pennsylvania are not binding on respondents as privies of the Westinghouse Traction Brake Company and are not final and binding adjudications of the merits of the controversy between the parties to the said suit in the United States District Court for the Eastern District of Wisconsin, Equity No. 474, and that if it thinks it necessary or proper it make such order or direction as may be fit and proper amending the aforesaid decree of the United States District Court for the Eastern District of Wisconsin of August 21, 1914, in said suit Equity No. 474, and the opinion and mandate of this court on appeal therefrom No. 2163, so that the same shall refer to the grant of patent monopoly right in respondent Christensen without reference to any particular patent number, or in the alternative shall refer specifically to said patent No. 621,324, and that it make such further order and direction as may be fit and proper, permitting the said United States District Court for the Eastern District of Wisconsin to proceed and determine the accounting proceedings now pending before it in said action, Equity No. 474.

Respectfully submitted,
 (Signed) LINES, SPOONER & QUARLES,
*Solicitors for Niels A. Christensen
 and Allis-Chalmers Company.*

JOSEPH B. COTTON,
 WILLET M. SPOONER,
 LOUIS QUARLES,
Of Counsel.

q United States Circuit Court of Appeals for the Seventh Circuit.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Petitioner-Appellant,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
 Respondents-Appellees.

Stipulation.

It is stipulated and agreed by and between counsel for the respective parties hereto that the record in the matter of the application of National Brake & Electric Company for an order directing the dismissal of the bill of complaint brought against it by said

Niels A. Christensen and Allis-Chalmers Company in the United States District Court for the Eastern District of Wisconsin, in Equity No. 474, and for a stay of proceedings in the District Court until the application is heard and determined shall contain the following:

1. Application of the National Brake & Electric Company to the United States Circuit Court of Appeals for the Seventh Circuit.

2. Order of Circuit Court of Appeals of the Seventh Circuit fixing time for filing answer to application.

3. Answer of the respondents-appellees thereto.

4. Printed record as made up and filed in the United States District Court for the Eastern District of Wisconsin in re defendant's motion to dismiss bill.

5. Second petition of the Westinghouse Traction Brake Company for writ of mandamus or writ of certiorari in the United States Circuit Court of Appeals for the Third Circuit, No. 2248.

6. Supplemental transcript of record filed in the United States Circuit Court of Appeals for the Third Circuit, No. 2248, in support of said second petition excepting the opinion, order reversing decree, mandate, clerk's certificate and decree printed on pages 85 to 102 inclusive of said supplemental transcript of record.

7. Respondents' objections and answer to the said second petition for writ of mandamus or certiorari filed in the United States Circuit Court of Appeals for the Third Circuit.

8. Opinion of the United States Circuit Court of Appeals for the Third Circuit in re said second petition for a writ of mandamus or writ of certiorari.

9. Order of the United States Circuit Court of Appeals for the Third Circuit on the second petition refusing writ of mandamus or writ of certiorari.

10. Opinion of the United States District Court for the Eastern District of Wisconsin in Equity No. 474 by Judge Geiger on defendants' motion to dismiss the bill.

11. Order entered by Judge Geiger on said motion to dismiss the bill filed July 31, 1918.

12. A copy of this stipulation.

CHARLES A. BROWN,

Of Counsel for Petitioner-Appellant.

LOUIS QUARLES,

Of Counsel for Respondents-Appellees.

Chicago, September 23, 1918.

United States Circuit Court of Appeals for the Seventh Circuit.

I, Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages, numbered from one to seventeen, inclusive, contain a true copy of the "Pleadings in the Matter of the Application of National Brake & Electric Company for an Order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, In Equity, No. 474, and for a Stay of Proceedings in the District Court until Application is Heard and Determined," filed October 1st, 1918, in the case of National Brake & Electric Company, Petitioner, vs. Niels A. Christensen and Allis-Chalmers Company, Respondents, No. 2163, October Term, 1917, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this seventh day of May, A. D. 1919.

EDWARD M. HOLLOWAY.

[SEAL.]

*Clerk of the United States Circuit Court
of Appeals for the Seventh Circuit.*

t United States District Court, Eastern District of
Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Plaintiffs,

VS.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendants.

Record on Defendant's Motion to Dismiss Bill.

u United States District Court, Eastern District of
Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Plaintiffs,

VS.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

Record on Defendant's Motion to Dismiss Bill.

v United States District Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Plaintiffs,

VS.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

Notice.

William R. Rummel, Esq., Solicitor for Plaintiffs, Tribune Building,
Chicago, Illinois.

SIR:

Please take notice that on Saturday, March 16th, 1918, at the meeting of the court, or as soon thereafter as counsel can be heard, we shall move to dismiss the bill of complaint for the reasons set forth in the motion to that effect, copy of which, together with the

copy of the documents set forth therein and accompanying the same, we hand you herewith.

BROWN, HANSON & BOETTCHER,
Solicitors for Defendant.

Chicago, Illinois, March 9, 1918.

Service of the above notice and of the motion and accompanying documents is hereby admitted, by receipt of copies thereof, this 9th day of March, 1918, at 3:15 p. m.

WM. R. RUMMLER,
Solicitor for Plaintiffs,
By E. P.

United States District Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Complainants,

VS.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

Defendant's Motion to Dismiss Bill.

The defendant, the National Brake & Electric Company, by its counsel, hereby moves the court to dismiss the bill of complaint in this case at the cost of the plaintiffs upon the ground that all of the issues in the case have been fully and finally determined and adjudicated in defendant's favor by the Circuit Court of Appeals for the Third Circuit and by the final decree of the District Court for the Western District of Pennsylvania, in the suit between the plaintiffs and the Westinghouse Traction Brake Company, with which this defendant was in privity.

In support of this motion defendant has filed herewith certified copies of (1) petition of the Westinghouse Traction Brake Company to the United States Circuit Court of Appeals for the Third Circuit for a writ of certiorari in the case of these plaintiffs against the Westinghouse Traction Brake Company in the District Court for the Western District of Pennsylvania, (2) the transcript of record from the District Court for the Western District of Pennsylvania showing the proceedings of the District Court, (3) opinion, (4) order and (5) mandate of the Court of Appeals, (6) the decree of the District Court dismissing the bill as to patent No. 635,280, and (7) the docket entries in the case.

Also in support of the motion defendant will refer to the testimony offered by plaintiffs before the Master in the accounting proceedings in this case as to the privity between the defendants and

the Westinghouse Traction Brake Company, the defendant in the Pittsburgh case.

BROWN, HANSON & BOETTCHER,
Solicitors for Defendant.

March 9, 1917.

1 United States District Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs

vs.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

Amended Bill of Complaint.

To the Honorable the Judges of the United States District Court for the Eastern District of Wisconsin:

First. Niels A. Christensen, a citizen of the United States and of the state of Wisconsin and a resident of the city of Milwaukee in the county of Milwaukee and state of Wisconsin, and the Allis-Chalmers Company, a corporation duly created and existing under the laws of, and a citizen of, the state of New Jersey and having its general office in said city of Milwaukee, bring this, their amended bill of complaint against the National Brake & Electric Company a corporation duly created and existing under the laws of, and a citizen of, the state of Wisconsin and having its general office in, and being a resident of, said city of Milwaukee and the Eastern Judicial District of Wisconsin.

And for their cause of action, the plaintiffs allege and state as follows:

Second. That heretofore on or about the 30th day of December 1896, the plaintiff Niels A. Christensen, a resident of said city of Milwaukee, being then and there the true, original and first inventor or discoverer of a certain new and useful improvement in combined pumps and motors not known or used by others in this country before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country before his invention or discovery thereof, or more than two years prior to his hereinafter mentioned application for patent therefor and not in public use or on sale in this country for more than two years prior to his said application, and not having been abandoned by him, and no application for a foreign patent for said invention or discovery having been filed more than twelve months prior to the

2 filing of the said application in this country, duly made application to the Commissioner of Patents of the United States for the exclusive grant and monopoly for a term of seventeen years for and of said invention of a certain new and useful improvement

in combined pumps and motors, under and agreeably to the Acts of Congress and, as evidence of said grant and monopoly requested Letters Patent of the United States, all in accordance with the then existing laws of Congress; and having fully complied in all respects with the requirements of said laws, thereupon and on the 21st day of March, A. D. 1899, the said application of the plaintiff Niels A. Christensen was duly granted by the Patent Office of the United States and a contract was thereby entered into and fully consummated between the plaintiff, Niels A. Christensen, and the United States covering and embracing said exclusive grant and monopoly for the full term of seventeen years from and after said 21st day of March A. D. 1899; that said contract was secured to said Christensen the exclusive right to make, vend and use his said invention for said term of seventeen years from March 21, 1899.

That to evidence said contract between the United States and the plaintiff Christensen, Letters Patent of the United States, No. 621,324, dated March 21, A. D. 1899, and signed, sealed and executed in due form of law for the said invention, were issued to the plaintiff Christensen, and which said Letters Patent were then and there intended to evidence the said exclusive grant and monopoly and the full and exclusive right of the plaintiff Christensen and his heirs and assigns to make, use and sell under said contract the said invention throughout the United States and the territories thereof for the full term of seventeen years from and after March 21, 1899, as will more fully appear by the said Letters Patent, or a copy thereof duly certified from the records of the Patent Office, and in this Court to be produced.

Third. That on or about September 16, 1899, the plaintiff Christensen discovered that the said Letters Patent No. 621,324 evidencing his said contract with the United States as to said new and useful improvement or invention in combined pumps and motors contained a discrepancy and was inaccurate in the particulars hereinafter stated, and being advised that the same might be construed to be in some particular or particulars defective, refused to accept said Letters Patent as proper evidence of said exclusive grant and returned the same to the Commissioner of Patents, and, with said refusal

to accept and the return of said Letters Patent, the plaintiff Christensen petitioned said Commissioner of Patents, representing that he was the person to whom said Letters Patent No. 621,324 for combined pump and motor were issued on March 21, 1899, upon application serial No. 617,464 filed December 30, 1896; that in response to an action by the Patent Office, dated June 7, 1898, requiring division of said application on the ground that it contained two separate and independent inventions, two amendments, dated July 1, 1898, were filed July 18, 1898, wherein and whereby sheet 2, containing figures 3 and 4 of the drawing, was eliminated and the description of said figures and of the subject matter therein shown was cancelled; that upon such amendments, said application was allowed on August 24, 1898; that said patent issued thereon as aforesaid did not conform with the record in the Patent Office in that it contained the second sheet of drawings with figures 3 and 4

which was eliminated by one of the aforesaid amendments and that said figures 3 and 4 and the subject matter therein shown are not described in the specifications of said letters patent, the description thereof having been stricken out in conformity with the other amendment above mentioned; and requesting that, for the reason aforesaid, said Letters Patent No. 621,324 be cancelled and that new Letters Patent be issued to him in conformity with the record of the case in the Patent Office; that said figures 3 and 4 shown on said sheet 2 of drawings then and there belonged to an application for a patent then pending in said Patent Office, being Serial No. 686,266 and upon which Letters Patent to the plaintiff Christensen thereafter issued No. 680,842 dated August 20, 1901; that said return of Letters Patent No. 621,324 was made for the sole and only purpose of securing a correction therein by having said sheet 2 eliminated from the drawings attached thereto; that in making said petition and returning said Letters Patent, the Plaintiff Christensen did not intend or undertake to, and did not in any way, surrender his said contract with the United States or his said exclusive grant and monopoly to make, use and vend his said invention or in any other way abate, limit, restrict or waive any of the rights, privileges and estate which he had and possessed, or which he was entitled to have and possess, under his said contract, grant and monopoly; that thereafter and on the 17th day of October, 1899, such proceedings were had in the United States Patent Office and by the Commissioner of

4 Patents of the United States that the request of the petition of the plaintiff Christensen was granted and said Commissioner of Patents then and there undertook or pretended to cancel said Letters Patent No. 621,324 evidencing said contract, exclusive grant and monopoly and to issue in lieu thereof to the plaintiff Christensen, Letters Patent of the United States, No. 635,280 bearing date October 17, 1899, evidencing said contract, grant and monopoly and purporting to grant to the plaintiff Christensen and to his heirs and assigns, for a term of seventeen years from and after the date thereof, to wit: the 17th day of October, 1899, the full and exclusive right of making, using and selling his said invention throughout the United States and the territories thereof, as will more fully appear by the said Letters Patent or a copy of the same duly certified from the records of the Patent Office and in this Court to be produced.

That said Letters Patent No. 635,280 were received by the plaintiff Christensen on or about October 17, 1899, and are identically the same as the said Letters Patent No. 621,324 save and except only that in said last numbered patent, the said sheet 2, being figures 3 and 4 was eliminated and said last numbered patent purported to be for a term of seventeen years from and after its date of issuance, to wit the 17th day of October, A. D. 1899, instead of for a term of seventeen years from and after the date of the first numbered Letters Patent, to wit, the 21st day of March, A. D. 1899.

Fourth. The plaintiffs further allege and state that said exclusive grant and monopoly to the plaintiff Christensen for said new and useful improvement in combined pumps and motors, was for a

period of seventeen years only from and after March 21, 1899; that ever since the acceptance of the plaintiff Christensen's said application and its allowance by the Patent Office of the United States, said contract hereinbefore described has been and is now valid and in full force and effect, irrespective of whether said contract was or is evidenced by said Letters Patent No. 621,324 or said Letters Patent 635,280; that the plaintiffs hereby expressly disclaim, waive and relinquish for purposes of this suit any and all claims to any grant and to any and all damages on account of infringement or otherwise from and after the expiration of seventeen years from and after said March 21, 1899, regardless of whether said Letters Patent No. 635,280 shall be held by the Courts to be valid or otherwise.

5 Fifth. And plaintiffs further allege and state that the mistake in said Letters Patent No. 621,324 evidencing said grant and monopoly to the plaintiff Christensen was the mistake solely of the Patent Office of the United States and arose in no way through the act or fault of the plaintiffs or either of them, and that neither of the plaintiffs is in any way responsible for or chargeable with any error which may have been committed, or which the Court may find to have been committed, by said Patent Office in attempting and assuming to cancel said first numbered patent, in making said correction and in attempting and assuming to issue and in issuing the second numbered patent for the term therein mentioned; that if it should be determined by the Court that said last numbered patent is invalid for the reason that the same was issued for a longer time than the term to which the plaintiff Christensen is entitled to have his said exclusive grant and monopoly, then, and in such case, the attempted action of the said Commissioner of Patents and of the Patent Office of the United States in attempting and assuming to cancel said patent No. 621,324 was and is wholly void and of no force and effect and that said first numbered patent therefore is now, and at all times since its issuance, has been, valid and in full force and effect, and that the said return thereof by the plaintiff Christensen for correction as aforesaid did not constitute a surrender or abandonment of his said invention or of his said exclusive grant and monopoly or of any of his rights, interests and estates therein or thereby created; and that the plaintiff Christensen in such case (unless the court shall find and adjudge said last numbered patent is valid for a term ending March 21, 1916) is entitled to a return of said first numbered patent and to judgment and decree of the court that, with or without such return, said first numbered patent is now, and ever since its said issuance has been, in all respects valid and in full force and effect.

Sixth. Plaintiffs further allege and state that on or about the 7th day of May, A. D. 1906, the plaintiff Christensen, for a valuable consideration, entered into a written contract with said plaintiff the Allis-Chalmers Company wherein and whereby the said Christensen gave an exclusive license, for a royalty therein mentioned and provided, to said Allis Chalmers Company to make and use and sell to others, to be used, the combined pumps and motors

described in said contract and Letters Patent, and each of them,
and commonly known as the "Christensen Motor Compressor," in all the states of the United States and the territories
6 thereof; that the plaintiff Christensen has ever since been,
and still continues to be, the owner of said contract, exclusive grant
and monopoly, and of said Letters Patent and each of them, and of
all rights therein, except the license granted to said Allis-Chalmers
Company; that the plaintiffs are entitled to an injunction against
the wrongs and injuries committed by the defendant hereinafter
mentioned and to all profits realized by the defendant from the in-
fringing acts and to all damages arising from said infringing acts
of the defendant hereinafter mentioned.

Plaintiffs further allege that by virtue of the premises, the plain-
tiff Christensen became, ever since has been, and now is, the sole
and exclusive owner of said exclusive grant and monopoly of said
Letters Patent, and of the invention and improvement described in
his said contract with the United States of America and all of the
rights and privileges granted and secured, or intended to be granted
and secured thereby, excepting only said license to the Allis-Chal-
mers Company; that since the plaintiff Christensen became the
owner thereof as aforesaid, both he and the Allis-Chalmers Com-
pany have invested and expended large sums of money and have
been to great trouble in and about said invention, and for the pur-
pose of carrying on the business of manufacturing and selling Chris-
tensen Motor Compressors and machines containing the said inven-
tion, and making the same profitable to themselves and useful to
the public; that said invention has ever been, and is, of great ben-
efit, utility and advantage to the public; that a large number of such
machines were made by the plaintiff Christensen and his former
licensee, the National Electric Company and the predecessor of the
defendant company herein, and sold by said Christensen and said
predecessor of the defendant to great advantage to the public; that
the public, ever since said exclusive grant to the plaintiff Christen-
sen, has had due notice that said motor compressors, articles and
apparatus are made under said grant or monopoly and have been
and are patented and have been and are marked by fixing thereon
the word "Patented," together with the day and year of the issu-
ance of said last numbered patent; that the public has known,
widely recognized and acquiesced in the validity of said exclusive
grant and monopoly to said Christensen, in the Utility and ad-
vantages of said improvement and in the aforesaid exclusive title
and rights of the plaintiffs and each of them thereto and therein;
and the plaintiffs allege, on information and belief; that the
7 defendant has received and is now receiving large gains, ad-
vantages and profits therefrom, but to what extent, and how
much exactly, the plaintiffs do not know and pray a discovery
thereof.

Seventh. Plaintiffs further allege and state that the defendant
has well known all the facts hereinbefore set forth, but nevertheless
contriving to injure the plaintiffs and each of them, and to deprive

them of the profits, benefits and advantages which might and otherwise would have accrued to the plaintiffs from the said exclusive grant and monopoly, whether evidenced by said Letters Patent or either of them, or otherwise, the defendant after October 17, 1899, and within six years prior to the institution of this suit, without the license of the plaintiffs or either of them, and against the plaintiffs' will and the will of each of them, and in violation of the rights and estate of each of them in and to said grant and monopoly, unlawfully and wrongfully made, used and sold, ever since has continued, and still continues unlawfully and wrongfully to make, use and sell, devices or apparatus in large quantities and on an extensive scale which embody the invention or discovery claimed in and covered by the plaintiff Christensen's said exclusive grant, monopoly and contract, the exclusive right to make, use and sell which is by law vested in the plaintiffs as aforesaid; that the defendant intends and is threatening to continue to make said infringing devices and apparatus which embody the said invention or discovery of the plaintiff Christensen, in large quantities, and is fully prepared so to do, and to supply the market therewith, and to sell and vend the same; that the defendant has, ever since the commencement of this said action, as well as prior thereto, refused, and still refuses, to pay to the plaintiffs, or either of them, any of the profits which have been made, or which may be made, by such unlawful and wrongful manufacture, use and sale, or to desist from the further infringement of said exclusive grant and monopoly to the plaintiff Christensen, all of which acts are in violation and in defiance of the rights acquired by and secured to the plaintiffs as aforesaid, and to their great and irreparable loss and injury and by which they have been and still are being, deprived of great gains and profits which they might and otherwise would have obtained, and which have been received and enjoyed, and are still being received and enjoyed, by the defendant by and through its aforesaid unlawful and wrongful acts and doings.

8 Eighth. Plaintiffs further allege and state that the use of said invention by the defendant and its preparation for continuing and avowed determination to continue the same and its other aforesaid unlawful and wrongful acts in disregard and defiance of the rights of the plaintiffs have the effect to and do encourage or induce others to infringe or attempt to infringe said exclusive grant and monopoly to said Christensen in disregard of the plaintiffs' said rights.

Ninth. Plaintiffs further allege and state that, prior to the institution of this action, they caused due notice to be given to the defendant of said infringements and of the rights of the plaintiffs in the premises and requested it, said defendant to desist and refrain therefrom, but the defendant has ever since disregarded said notice and refused to desist from said infringements, and, with full knowledge, but in defiance of the plaintiffs' said rights, still continues to make and sell said patented machines and to infringe the said in-

vention and exclusive grant and contract of the plaintiff Christensen.

Tenth. And plaintiffs further allege and state that they have no adequate remedy at law.

Wherefore, the plaintiffs pray :

(1.) That said exclusive grant and monopoly to said Christensen and contract between the United States and said Christensen for said new and useful improvement in combined pumps and motors for the term of 17 years from and after March 21, 1899, be by the Court in all respects adjudged to be valid and in full force and effect; and that the title and respective rights of the plaintiffs therein and thereto be adjudged by the Court to be as hereinbefore alleged in this amended bill of complaint.

(2.) That said Letters Patent No. 635,280 be held by the Court to be evidence of said grant, monopoly and contract for said term of 17 years from and after March 21, 1899, and be limited expressly to that time in accordance with the waiver hereinbefore made and pleaded and irrespective of any language to the contrary in said Letters Patent contained, and that said Letters Patent, when so restricted, be in all respects held to be valid and in full force and effect.

(3.) That if the court shall adjudge said Letters Patent No. 635,280 not to be capable of being restricted or limited to the extent and in the particular specified in the preceding subdivision hereof, and to be null and void ab initio, then, and in such event, the Court
 9 adjudge and decree that the Acts of the Commissioner of Patents and of the Patent Office of the United States in attempting to cancel said Letters Patent No. 621,324 were and are wholly ineffective and null and void ab initio and that said Letters Patent No. 621,324 are now, and ever since their said issuance on March 21, 1899, have been, in all respects valid and in full force and effect and evidence of the said existing exclusive grant to said Christensen and contract between the United States and the plaintiff Christensen; and the judgment and decree of this court be entered herein that the plaintiff Christensen is entitled to have said Letters Patent No. 621,324 dated March 21 1899 forthwith returned by said Patent Office to said Christensen, and that, with or without such return, said judgment and decree of the Court shall stand and operate in all respects in lieu thereof.

(4.) That a writ or writs of subpoena ad respondendum may issue, directed to the said defendant, National Brake & Electric Company commanding it to appear and answer unto this amended bill of complaint on a day certain therein to be named, and to obey and perform such order and decree in the premises as to the Court may seem meet and may be required by the principles of equity and good conscience.

(5.) That the defendant may be decreed to account for and pay to the plaintiffs the profit or income unlawfully and wrongfully derived from the violation of the plaintiffs' said rights, and, that upon entering the decree against the defendant for infringement, the Court may proceed to assess or cause to be assessed under its direction, in addition to the unlawful profits or income to be accounted for by the defendant as aforesaid, the damages plaintiffs have sustained by reason of such infringement and that the Court may increase the actual damages so assessed to a sum equal to three times the amount of such assessment, under the circumstances of the unlawful and unjust infringement by the defendant as hereinbefore set forth.

(6.) That a writ of injunction may be issued from and under the seal of the Court, perpetually restraining the defendant, its clerks, attorneys, servants, agents, workmen and officers, and each and every of them, from any further manufacture, use or sale in any manner of said patented improvements or either of them or any part thereof, in violation of said plaintiffs' rights, and that the infringed devices or apparatus in the possession or use of the defendant may be decreed to be destroyed or delivered to the plaintiffs for that purpose.

10 (7.) That a provisional or preliminary injunction may be issued restraining the defendant, its clerks, attorneys, servants, agents, workmen and officers, and each and every of them, from any further manufacture, use or sale in any manner of said patented improvements or either of them or any part thereof, pending this cause.

(8.) That the plaintiffs have and recover of the defendant their costs and disbursements herein, and that such other and further relief may be granted and decreed to the plaintiffs as the equity of the case may require and to the Court may seem meet.

Dated Milwaukee, Wisconsin, November 10th, 1913.

NIELS A. CHRISTENSEN,

Plaintiff.

LINES, SPOONER, ELLIS & QUARLES,

Solicitors for said Plaintiffs, Pabst Building,

Milwaukee, Wisconsin.

JOSEPH B. COTTON,
WILLET M. SPOONER,
WM. R. RUMMLER,
Of Counsel.

COUNTY OF MILWAUKEE,
State of Wisconsin, ss:

Niels A. Christensen, of said County being first duly sworn, says that he is one of the plaintiffs in the above entitled cause; that he makes this verification on behalf of himself and on behalf of his co-plaintiff, the Allis-Chalmers Company, the corporation described

in the foregoing amended bill of complaint; that he has read said amended bill of complaint and knows the contents thereof and that the same is true of his own knowledge except as to the matters therein stated to be alleged upon information and belief, and as to those matters he believes it to be true.

Furthermore, that he verily believes himself, the said Niels A. Christensen in the said amended bill named, to be the original and first inventor of the said invention described and patented in the exclusive grant and monopoly to him, dated March 21, 1899, and granted upon his said application to the United States, as
11 alleged in said amended bill of complaint.

NIELS A. CHRISTENSEN.

Subscribed and sworn to before me, a Notary Public, in and for said county and state this 10th day of November, A. D. 1913.

G. S. SALENTINE,

Notary Public, Milwaukee County, Wisconsin.

[NOTARIAL SEAL.]

My commission expires June 28, 1916.

Answer of Defendant. Filed March 1, 1907.

United States Circuit Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Complainants,

vs.

NATIONAL BRAKE AND ELECTRIC COMPANY, Defendant.

Answer.

The Answer of National Brake & Electric Company, Defendant, to the Bill of Complaint of Niels A. Christensen and Allis-Chalmers Company, Complainants.

This Defendant, now and at all times hereafter, saving and reserving to itself all and all manner of benefit or advantage of exception or otherwise which can or may be had or taken to the manifold errors, uncertainties, and insufficiencies of said Bill of Complaint, for answer to said Bill, or to so much and such parts thereof as it is advised it is material or necessary for it to make answer unto, answering, says:

I. This Defendant is informed and believes, and thereupon admits that Letters Patent of the United States No. 635,280 were

issued on the 17th day of October, A. D. 1899, to Niels A. Christensen, one of the Complainants, for an alleged improvement in combined pump and motor, but, upon information and belief, 11a this Defendant denies that the said Niels A. Christensen was the inventor, or the true, original, sole and first inventor of the alleged improvement therein claimed; denies that said alleged improvement was not known or used by others in this country before his alleged invention or discovery thereof and was not patented or described in any printed publication in this or any foreign country before his said alleged invention or discovery thereof, for more than two years prior to his application or at any time prior to his application or the issuance of his Patents therefor; denies that said alleged improvement was not in public use or on sale in this country for more than two years prior to his application and had not been abandoned by him; denies that said Niels A. Christensen complied in all respects with the then existing laws of Congress; and denies that by the said Letters Patent the full and exclusive right of making, using and selling the said alleged invention was granted to the said Niels A. Christensen and to his heirs and assigns.

II. This Defendant further answering says that, save by the averments in said Bill of Complaint contained, it is not advised as to the making or existence of the alleged written contract with the said Allis-Chalmers Company, or that said Allis-Chalmers Company is entitled to profits and damages arising from alleged wrongful acts of this Defendant, and it therefore denies said averments and leaves the Complainants to make proof thereof as they may be advised is material or necessary.

III. This Defendant further answering denies that the alleged patented improvements have been extensively applied to practical use under said Patent and are of great utility and benefit to the public; it denies that the public have had notice that articles or apparatus made and sold under said Patent are patented; and denies that the public have widely recognized and acquiesced in the validity of the said Patent, the utility of said alleged improvement, and the alleged exclusive title of the Complainants thereto.

IV. This Defendant further answering, on information and belief, avers that the alleged improvement described as new in said Letters Patent and attempted to be patented thereby, did not, at the time of the supposed invention thereof by the said Niels A. Christensen, exhibit or embody any substantial variation or change from what had theretofore belonged to the state of the art, and did not 11b then involve the exercise of the inventive faculty or constitute subject matter which was patentable or lawfully the subject matter of Letters Patent of the United States; wherefore this Defendant avers that said Letters Patent No. 635,280 were and are null and void.

V. This defendant further answering, on information, advice, and belief, avers that prior to the issue of the said Letters Patent

No. 635,280 to the said Niels A. Christensen, to wit: prior to October 17, 1899, other Letters Patent Setting forth and claiming the same alleged invention were issued to said Christensen, said Letters Patent being numbered 621,324, dated March 21, 1899, and entitled improvement in combined Pump and motor; that said Christensen, alleging that said Letters Patent No. 621,324 were erroneous or not in proper form by reason of inadvertence or mistake on the part of the Patent Office, returned said Letters Patent to the Patent Office; that subsequently said Letters Patent No. 621,324 were ordered to be cancelled by the Commissioner of Patents and the Letters Patent No. 635,280, recited in the Bill of Complaint, were, on October 17, 1899, issued to said Christensen in lieu of and in substitution for said prior Letters Patent No. 621,324. And this Defendant avers that the action of the Commissioner of Patents in ordering the cancellation of said prior Letters Patent No. 621,324 and the issue of Letters Patent No. 635,280 to said Christensen in lieu thereof, was ultra vires and without warrant or authority in law, not being made in accordance with any Statute providing for the correction of error, inadvertence or mistake; therefore this Defendant avers that said Letters Patent No. 635,280 were and are null and void ab initio.

VI. And this Defendant further answering, and not waiving any, but still insisting upon all and singular the matters and things hereinbefore set forth, further says, upon information, advice, and belief:

That the said Niels A. Christensen was not the inventor, nor the true, original, sole and first inventor of the thing patented in said Letters Patent No. 635,280, nor of any material or substantial part thereof claimed therein as new, but that prior to the supposed invention or discovery thereof by said Niels A. Christensen, the said thing so patented, or a material and substantial part thereof claimed therein as new, was, or material and substantial parts thereof claimed therein as new, were patented or described in the following Letters Patent, to wit:

- 11c Letters Patent of the United States as follows, to wit:
- No. 13816, to D. W. Clark, dated November 20, 1855.
 - No. 209,673, to J. M. Grillenberger, dated November 5, 1878.
 - No. 247,691, to F. M. Roots, dated September 27, 1881.
 - No. 274,476, to I. N. Forbes, dated March 27, 1883.
 - No. 280,222, to L. H. Nash, dated June 26, 1883.
 - No. 313,008, to M. N. Lynn, dated February 24, 1885.
 - No. 328,626, to R. Welford, dated October 20, 1885.
 - No. 366,370, to A. Bonna, dated July 12, 1887.
 - No. 368,762, to F. A. Gardner, dated August 23, 1887.
 - No. 395,722, to J. Thorne, dated January 8, 1889.
 - No. 439,792, to I. E. Storey, dated November 4, 1890.
 - No. 443,020 to R. G. Ward, dated December 16, 1890.
 - No. 451,881, to E. Ruud, dated May 5, 1891.
 - No. 534,192, to J. F. Blake, dated February 12, 1895.
- Letters Patent of Great Britain, No. 1124 of 1881, to Burrell and Burall.
- Letters Patent of France No. 148,004, March 20, 1882, to Megy.

Letters Patent of Germany No. 60753, March 12, 1891, to Reinmann, Dittmar, and Faulkenhausen.

Also in a printed publication entitled "Electrical Engineer" published at the City of New York, in the issue of May 6, 1906, Vol. 21, p. 475, of said printed publication.

Also that prior to the supposed invention or discovery of said Niels A. Christensen, the said thing so patented, or a material and substantial part thereof claimed in said Letters Patent No. 635,280 as new, or material and substantial parts thereof claimed therein as new, had been known to and used by others in the United States, to wit: Henry P. Merriam and E. J. Wessels, both residing in the City of New York in the State of New York, and O. A. Sandborg, residing at East Pittsburgh, Pennsylvania, at said City of New York.

Also patented or described and represented in other Letters Patent, the number and dates of which, and the names of the persons to whom granted, are not now known to this Defendant, but which it craves leave to add by way of amendment of this Answer if it shall become necessary for it to do so.

Wherefore this defendant avers that said Letters Patent No. 635,280 were and are null and void.

VII. This Defendant further answering denies that it has made, used or sold, or now continues or intends and threatens to make, use, and sell, devices or apparatus which embody the alleged invention or discovery claimed in said Letters Patent No. 635,280, and it denies that it has done any act or thing in violation of any right recited in the Complainants by virtue of said Letters Patent, or which is contrary to equity and good conscience or tends to the injury of the Complainants in the premises.

VIII. This Defendant further answering submits to this Honorable Court that the Complainants have no right to any other or further answer to their said Bill of Complaint than is herein contained, and no right to any injunction, decree, or other relief prayed for in said Bill.

IX. This Defendant prays the same benefit of the facts and things herein set forth, as if, for the reason thereof, it had demurred to the said Bill of Complaint where a demurrer would have been proper, and the same benefit thereof as if it had specially pleaded to said Bill.

X. Without this that any other matter, cause, or thing in said Complainants' said Bill of Complaint contained, material or necessary to be answered by this Defendant, and not herein and hereby well and sufficiently answered, confessed, traversed and avoided, or denied, is true to the knowledge or in the belief of this Defendant; all which matters and things this Defendant is ready and willing to aver, maintain and prove, as this Honorable Court shall direct, and it

humbly prays to be hence dismissed, with its reasonable costs and charges, in this behalf most wrongfully sustained.

NATIONAL BRAKE & ELECTRIC COMPANY,

By R. P. TELL,
Vice-President.

MILLER, MACK & FAIRCHILD,

Solicitors for Defendant.

CHARLES A. BROWN,

THOMAS W. BAKEWELL,

J. SNOWDEN BELL,

Of Counsel for Defendant.

11c Feb. 10, 1914.—Order allowing answer to stand as answer to amended bill, filed as follows:

United States District Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Complainants,

VS.

NATIONAL BRAKE AND ELECTRIC COMPANY, Defendant.

And now, to wit, February 10th, 1914, on motion of Arthur W. Fairchild, of counsel for Defendant, it is hereby ordered that the Answer filed to the original Bill of Complaint herein and Patent No. 635,280 upon which said original Bill was based, shall stand as an Answer to the amended Bill of Complaint, filed on or about November 12, 1913, and to Patent No. 621,324, dated March 21, 1899, set forth in said amended Bill of Complaint, as to all defenses relating to the novelty, patentability, validity, and infringement of said Patent No. 621,324 and have the same force and effect as if said defenses stated in the Answer to said original Bill had been specifically set up in regard to said Patent No. 621,324; and that the evidence offered by the Defendant in support of its Answer to the original Bill, and filed in this Court shall stand and have the same force and effect as against said Patent No. 621,324, as if originally taken with reference to said Patent.

Enter.

F. A. GEIGER,
Judge.

11/ United States Circuit Court, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Complainants,

VS.

NATIONAL BRAKE AND ELECTRIC COMPANY, Defendant.

It is hereby mutually stipulated and agreed by the parties to the action above entitled, acting by their respective attorneys duly authorized thereunto, that the combined pumps and motors or devices such as are represented in and by the blue print marked with shop mark L-4725 produced in evidence in this action and marked Complainants' Exhibit "A" and being the blue print referred to in a certain stipulation between the parties to the above entitled action and found on page eight (8) of Complainants' printed record, were made and sold within the Eastern Judicial District of Wisconsin, and elsewhere in the United States, after the 1st day of December, 1906, and prior to the institution of the above entitled action, without the license or consent, express or implied, of the complainants or either of them.

It is further stipulated and agreed that defendant herein had due notice as early as May, 1906, of the issuance of Letters Patent No. 635,280 dated October 17, 1899.

It is further hereby stipulated and agreed that all and every the matters and things stated herein shall be taken as uncontroverted and established facts herein and treated as such by both parties hereto and by the court at each and every stage of this cause and shall be treated in all respects as part of the evidence and record herein.

Dated at Milwaukee, Wisconsin, this 18th day of December, 1913,

NIELS A. CHRISTENSEN,

Complainant,

By LINES, SPOONER, ELLIS & QUARLES,

His Solicitors,

ALLIS-CHALMERS COMPANY,

Complainant,

By LINES, SPOONER, ELLIS & QUARLES,

Its Solicitors,

NATIONAL BRAKE & ELECTRIC COMPANY,

Def't.

By MILLER, MACK & FAIRCHILD,

Its Solicitors.

11g *Opinion of the Court. Filed Aug. 1, 1914.*

District Court of the United States, Eastern District of Wisconsin.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Complainants,

VS.

NATIONAL BRAKE & ELECTRIC CO., Defendant.

GEIGER, District Judge:

Suit for infringement. Letters Patent No. 621,324, covering improvement in a combined pump and motor, were issued March 21, 1899, to complainant, Christensen. His application had been filed (See No. 617,464) December 30, 1896. Drawings, consisting of one sheet containing figures 1 & 2, one sheet containing figures 3 & 4, were included in his application for and description of, his invention. The Patent Office having concluded, June 7, 1898, that the application embodied two inventions, separate and independent, directed division of the application, which was done by amendment, July 18, 1898. Pursuant thereto, sheet No. 2, containing figures 3 & 4 was eliminated and the application changed conformably. Thereupon, August 23, 1898, the application was allowed and patent above noted subsequently issued. But upon issuance of the patent, sheet No. 2, notwithstanding its elimination as stated, was fastened to, and sent to the patentee as a part of and with, the letters patent. Complainant then, through his counsel (Sept. 16, 1899) returned the letters received as just stated, to the Commissioner of Patents, with a letter, in form of a petition, reciting the facts above, refusing "to accept and return said Letters Patent, and requests that the same be cancelled, and that new Letters Patent be issued to him in conformity with the record of the case in the Patent Office."

The Commissioner, after investigation, made an order (Sept. 29, 1899) which, after reciting the facts, directed "that the seal of said Letters Patent be broken, the grant returned to the files marked Canceled, and that letters patent in proper form be issued pursuant to the record in the case in the Patent Office."

11h Thereupon Letters Patent No. 635,280 dated October 17, 1899—similar in all respects to Letters Patent No. 621,324, except that sheet No. 2 containing figures 3 & 4 was omitted—issued to the complainant, Christensen.

The bill as originally filed, averred the issuance of Letters Patent No. 635,280, but, by amendment, all the facts above stated were subsequently incorporated.

The claims of the Patent are:

"1. In a combined air-pump and electric motor the combination of the frame having a chamber adapted to contain oil, a shaft provided with a crank or eccentric inclosed in said chamber, a cylinder formed with or attached to said frame and opening at one end into

said chamber, a piston fitted to work in said cylinder and connected with said crank or eccentric, a motor-base attached to said frame and forming a cover for said oil-chamber, an armature supported upon said base and connected by gears with said crank-shaft, and a gear-case attached to said frame and motor-base and forming therewith an inclosure for said gears and a receptacle for holding oil, said frame, gear-case and motor-base completely inclosing and protecting the driving connection of the pump and the crank-shaft terminating within said gear-case, whereby a stuffing-box therefor is dispensed with, substantially as and for the purposes set forth.

2. In a pump the combination with a frame or case formed or provided with a closed chamber adapted to exclude dirt and to contain oil, a shaft having bearings in said frame or case and provided with a crank or eccentric within said chamber, a cylinder formed with or attached to said frame or case, a piston fitted to work in said cylinder and connected with said crank or eccentric, a shaft mounted on said frame or case and connected by gearing with said crank-shaft, and a gear-case forming an oil-tight closure over said gearing and the end of the crank-shaft with which the driving connection of the pump is made, whereby a stuffing-box for said crank-shaft is dispensed with, substantially as and for the purposes set forth.

3. The combination of a frame provided with boxes and formed with an oil chamber or well between said boxes, a shaft supported in said boxes and provided between them with a crank or eccentric, a cylinder attached to said frame and opening at one end into the oil chamber or well therein, a piston fitted in said cylinder and connected with said crank or eccentric, a motor-base mounted upon said frame and forming a closure for said chamber, an armature-shaft supported in bearings upon said base parallel with said crank-shaft and provided at one end with a pinion which meshes with a gear on the crank-shaft, and a case inclosing said pinion and gear forming a receptacle for holding oil, a part of said case over said pinion being detachable, substantially as and for the purposes set forth.

4. The combination of a frame formed with an oil well or chamber and provided with boxes in communication with said chamber, a shaft supported in said boxes and provided with a crank or eccentric, a cylinder attached to said frame and opening at one end into said oil-chamber, a piston fitted in said cylinder and connected with said crank or eccentric, an electric motor mounted upon said frame and comprising a base which covers said oil-chamber and is provided on the upper side with oil-wells and box-housings having detachable caps and with an armature-housing and yoke having also a detachable cap, an armature and its shaft supported in said housings parallel with the crank-shaft and provided at one end with a pinion which meshes with a gear on said crank-shaft, and a gear-case forming an oil receptacle and composed of two parts, one attached to the frame and motor-base, and the other to and removable

with the cap of the adjacent box-housing, substantially as and for the purposes set forth."

The questions arising in the case are:

(1) Whether Letters Patent No. 635,280, are valid,—defendant contending that they were issued without authority; that the irregularity, if it be one, of attaching to Letters Patent No. 621,324, the additional sheet, was subject to correction only through the medium of a reissue. An amendment to the bill was permitted to enable complainants to present all the facts, now conceded to be as above stated. If defendant is right in contending that the Commissioner of Patents was without power to grant the second patent, it ought to follow that he also lacked power to accept surrender of and to cancel the first grant. So too, if the situation was such that complainant was entitled to a reissue, there is nothing in the reissue statute which precludes us from treating the second as, in effect, a reissue, except the fact that it fails to limit the term to that of the first Patent. While the procedure adopted by Christensen may not conform to nor have been followed with the express design of obtaining a reissue, the facts brought to the Commissioner's attention are identical with those which would have been averred and

11j presented upon an application for reissue; and, even without formal application for reissue, the Commissioner could, in my judgment, have disposed of Christensen's application by designating patent number 635,280, as a "reissue." In every aspect of the case, it appears that the Government has allowed and granted a patent embodying the claims which, in the two documents, are identical. Whether the patent be evidenced by one, the other or both, is not, in view of the issues now here, material. Complainants' contention that, even though the second Patent on its face extends the term of the monopoly beyond that permitted by statute, the Court may, when necessary to protect the public or a party, give the instrument its actual limitation and effect, strikes me as fair and entirely consistent with the spirit of the patent laws. In other words, there is no reason why the irregularity of procedure should work a default or a total lapse in the patentee's right or title, especially as against one who has not been injured or misled, nor from whom relief is sought in reliance upon the irregularity. The question, upon the present state of the case, is therefore, academic only.

(2) Invalidity of the patent is urged by defendant—the contention being that the structure therein embodied is an aggregation of well known features of the prior art, and does not require for its production more than the expected skill of the calling of a competent mechanical engineer.

The patentee expressly claimed novelty in "features of construction and arrangement of parts" to accomplish the "main object" of providing "within small compass or in compact form, a combined pump and motor of simple and durable construction that will not be affected by dust, mud, ice or snow, that will be efficient and economical in operation and that will require little attention," and,

further, a structure "designed particularly for use in connection with air-brakes for railway cars in which the pump and motor are usually exposed to dust, mud and snow, and the working parts if unprotected soon become worn and inoperative besides requiring constant and frequent attention."

It may be noted, preliminarily, that manufacture of the patented structure was begun in 1897; from then until 1903, it had received so marked recognition that the aggregate value of manufacture in such years was approximately five million dollars; that it had been found particularly adaptable for use in electric car traction in many different countries; and at or about the time of commencement of suit, about twenty, out of a total of about twenty-seven thousand combined motors and pumps used to operate air-brakes on street cars, were manufactured under the patent.

A witness for complainant, a mechanical engineer whose high professional attainments and probity are, it is believed, conceded by both parties, gave as a general summary of his analysis of the patented structure, its standing in the art, and particularly in view of its general adaptation for use on street cars, the following:

"It is a notable combination in the relation of the co-acting parts, resulting as it has, in a very compact structure, occupying little space and being especially adapted to hang from the bottom of the car; to be capable of operation by the same means as the car itself; to be protected against dust and dirt, mud and snow; to be provided with continuous lubrication in all its parts requiring lubrication, at the same time preventing the contact of oil with parts which oil would destroy; making use of the fluid for cooling, not only during air compression, thus doing away with water jackets, but also making use of the same lubricating fluid to keep down the temperature of the motor parts; the whole combination resulting in an apparatus highly practical in character, highly effective and efficient in operation."

The parties differ upon at least one of the points above claimed—viz. whether there is in fact accomplished a cooling of the operative parts through the use of the lubricating fluid; but in the main, the structure is conceded to have, or upon the evidence should readily be accorded, the general character given it. The question propounded by defendant—whether anything more than the skill of one competent in the calling of mechanical engineer, is required, is not easily answered when many years of successful use of a structure follow its recognition by the Government as possessing patentable novelty. Thus, it was generally conceded that prior to Christensen's application, there were known in the art, mechanisms such as a combined pump and motor; a pump actuated by an electric motor; a pump whose working parts are enclosed, and protected from dirt; a combination of a frame or case formed or provided with a closed chamber adapted to exclude dirt; a shaft having bearings in the frame or case and provided with a crank within the chamber; a cylinder formed with or attached to the frame or case; a piston fitted to work in the chamber and connected to the crank or eccentric, and

a shaft mounted on the frame or case and connected by gearing with the crank shaft; and steam engines having a crank case and
 117 the general combination of parts last noted in whose operation splash lubrication was practiced. These, it is claimed are, generally speaking, the elements or parts of the patented structure, which, being known, were aggregated by complainant.

The witness above referred to, after analyzing the prior art patents and giving to the patented structure the character quoted, volunteered the statement that, "Assuming every feature of complainants' patent to be found in the prior art and to be available for use by merely assembling them, still there is no suggestion which would lead one to hit upon the particular combination which I am informed has resulted so successfully in its application to street cars as complainants' combined pump and motor" * * * The prior art has given no hint of a combination accomplishing such results."

Perhaps this testimony was given in usurpation of the functions of the witness; but on cross-examination, his attention having been called thereto, he was asked:

"Now, if you or any other skilled or competent mechanical engineer, were called upon to work out an 'arrangement of parts' for use as a 'combined pump and motor,' what suggestions, other than those derivable by any skilled mechanical engineer from those prior structures, would be required to enable you to design an 'arrangement of parts' which while doubtless not a 'Chinese copy' of the particular 'arrangement of parts' described and shown in complainants' patent in suit, would nevertheless possess all the substantial operative advantages and results thereof?"

To which witness answered:

"I doubt if it would be possible to give a correct answer to such a question. The machine is before us and has been worked out in all its details and has proven itself by years of use to be splendidly adapted for its purpose. It is so simple a combination that one cannot help wondering how it was not discovered before in view of the fact that electric street cars have been in operation for going on 25 years."

The failure of complainant or his witnesses to give a better answer to the question, does not involve an admission that the inventive faculty was not exerted to produce the patented structure. It is not necessary that an inventor "understood or be able to state the scientific principles underlying his invention, and it is immaterial whether he can stand a successful examination as to the speculative ideas involved"; and "if he has added a new and valuable

11m article to the world's utilities he is entitled to the rank and protection of an inventor." *Diamond Rubber Company vs. Consol. Tie Co.*, 220 U. S., 439. The patentee addressed his attention, not to the problem of combining a pump and a motor, not to the mere matter of choosing from the art the several elements theretofore introduced which, when combined, would produce the results of combination; but rather to produce a combination effective for that purpose and adaptable for use in a new and expanding field. It is fair that he be permitted now to assert that the field wherein his

structure has proven a great success was before him when his efforts to produce the combination were being exerted. To say that, because the idea of compactness is not referable to inventive genius; that a combined pump and motor was known; that splash lubrication was not new; that the other elements are found in known mechanisms; that because any suggestion of invention not drawn from the prior art cannot be precisely pointed out, therefore the structure is a mere aggregation which any one possessing the skill of one competent in the calling might have assembled, begs the question at issue, and would preclude invention in most combination improvements. The defendant entered the field after the patented structure had achieved success and recognition. In its efforts to accomplish the same desired result, it has adopted, not only the idea of the combination, but, almost exactly, its size, form and dimensions of parts. This in itself involved recognition by defendant, not only of the combination, but also of its utility. The changes made by it are not in denial of the fact of the combination or its utility, but are required, necessarily, in an effort to evade it—and the proofs contain pretty certain intimation that the latter was defendant's express aims.

Now, under such circumstances, after many years, ought a court to say that complainant's combination is the product of mechanical skill; that its success and recognition afford no support to the initial presumption arising through the grant of a patent; that while any competent mechanical engineer might have made the same combination, the circumstance that no one but complainant made it, and the further circumstance that those skilled in the art give it recognition, do not support the claim of invention? It is my judgment that an attempt, now, to deny novelty and utility attributable to inventive skill, can succeed only on the basis of conjecture; and the conclusion is reached that the patent is valid.

11n (3) This brings us to the third question—infringement—consideration whereof necessitates a more detailed reference to the structure in suit. The accompanying diagrams, Fig. 1 and 2, representing complainant's Figs. 3 and 4, defendant's structure, will be helpful. Thus, Figs. 1 & 2 present in a general way the structure comprising, the pump frame (A), containing the pump mechanism, on the top of which rests a motor, connected with and in operative relation with, the pump mechanism through the gear mechanism enclosed in the case K (Fig. 2). Claim No. 1 of the patent includes, among others, as elements of the combination, (1) a "motor base (E) attached to said frame (A) and forming a cover for said oil-chamber (the oil-chamber being formed by the frame A which, as an element is adapted therefor), and (2), a gear case (K), (Fig. 2) attached to said frame and motor base (E), and forming therewith an inclosure for said gears and a receptacle for holding oil."

In the defendant's structure these changes appear: In the patented structure the motor base (E) Fig. 2, is claimed to serve also as a cover for the oil-chamber A, whereas in defendant's structure the motor base E consists of one plate, and a covering for the oil chamber is

affected through a separate plate X (see Fig 4). (2) In the patented structure, the gear case K is attached by means of bolting, whereas in the defendant's it is extended by being cast integrally with the oil chamber. The two questions upon this issue are therefore whether the claims of the patent in the particular noted are avoided by these changes, or, whether the claims, fairly interpreted, can be read upon defendant's structure. This is conceded to be the whole controversy respecting infringement. The defendant urges that in the patented structure the motor base E, being bolted to the top of the oil-chamber frame, is given, by the claims one, three and four, a dual function; that while defendant's structure has both motor base and cover, the functions are discharged by using two plates, one a motor base proper—that it is the bottom of the motor chamber—the other a top for the oil chamber. In other words, the two when bolted together in the structure, are not the equivalent of the one. There is no claim that the defendant has changed the principle of operation of the combination, nor introduced a new principle; nor that a new result is accomplished, except that by leaving a small air space between its two plates E and X, conduction of heat from one chamber to the other may be lessened. Whether

such latter result was intended to be accomplished does not appear; but the proofs tend to show that the temperature of the motor compartment is higher than that of the crank compartment, and that the presence of the air space would tend to promote conduction of heat to the chamber where the lower temperature is desired. But the conclusive answer to defendant's claim of having made the change for any such purpose is that the air space left between the two plates is insignificant, irregular, varying from $1/8$ to $5/16$ of an inch, and apparently neither intended, nor in fact adaptable for such purpose, if indeed accomplishment of such purpose could be desired. It seems clear that the two plate idea was hit upon solely in an effort to avoid Christensen's claims; and the question narrows down to whether in such claims the form of this particular mechanical element is its distinguishing feature so that any departure therefrom avoids infringement.

It strikes me that defendant has done this—the form of Christensen's mechanical element which, as it is claimed, performs the dual function of a base for one and a cover for the other compartment, is attempted to be destroyed by using two plates. But, in making this change, the one thing in view is that, ultimately, Christensen's single mechanical element is reinstated when the combination is completed by bolting the plates together; and the fact that each plate is first bolted or cast upon its own compartment, does not alter the situation, except to evidence the extent of evasion of the form of Christensen's element. If an architect design a double house with a partition wall of twelve inches, and another design is in all respects its duplicate except that it provide for two six inch walls one against the other and connected by bolts, is it reasonable to suspect a want of equivalency? True, the one may have advantages over the other when considering processes of construction or dis-

mantling, but in the primary function of a partition, they are equivalents.

I am of the opinion that defendant's structure discloses the equivalent of the mechanical element of a motor base and oil chamber cover disclosed in the patent.

The question remains—Does the gear case of defendant's structure infringe? The claim of the patent is for "a gear case, attached to said frame and motor base and forming therewith an inclosure for said gears and a receptacle for holding oil." The question turns upon the construction to be given to the word "attached"—defendant claiming that because its case is cast integrally with the

oil-chamber, instead of being first separately formed and attached by bolting, it does not respond to the call of the claim. The real difference between the two cases consists in the fact that the gear case of the patented structure is detachably attached. Of course the object of the gear case is to form a chamber or compartment protecting the gears and providing for their constant provision with oil. The word "attached" in view of the object as well as the necessity of compactness in the combination as a whole, should be construed, not narrowly, having reference only to the manner or means by which the one part is brought into close contiguity to the other part, but rather as indicating the fact of close contiguity—so close as to make the two parts in reality integral—no matter how it is accomplished. This construction appears fair and entirely consistent with the spirit of the patentee's claims. The other differences in the construction of defendant's gear case are in part necessitated by the introduction of the plate X as a cover for the oil-chamber and its extension to the gear case compartment. This, while making the case of three parts, results, after assembling in an exact duplicate in form and function as is found in the patent structure. The conclusion is that it is an equivalent, and infringes.

Complainant may take a decree sustaining the patent and adjudging infringement.

(Signed)

F. A. GEIGER,

Judge.

District Court of the United States, Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Complainants,

vs.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

Decree.

This cause came on to be heard at this Term and was argued by counsel; and thereupon, upon consideration thereof,

It was ordered, adjudged and decreed, as follows, viz:

117 I. That the patent of Niels A. Christensen No. 635,280 dated October 17, 1899, for "combined pump and motor," is good and valid as to each and every of the claims thereof.

II. That the complainant, Niels A. Christensen, is the lawful owner of the entire right, title and interest in and to the said patent.

III. That the defendant, National Brake & Electric Company has infringed said Patent.

IV. That the said defendant, National Brake & Electric Company, its officers, agents, representatives, attorneys, employees, servants and workmen and each of them and any and all others acting by and under its authority, for the remainder of the term of seventeen years from and after March 21, 1899, are hereby enjoined and restrained from making, selling or using or causing to be made, sold or used, any combined Pump and Motor embodying the improvements described in any of the claims of said letters patent, No. 635,280.

V. That Lewis M. Ogden be appointed Master, to ascertain and report to the Court the number of combined pumps and motors embodying the subject matter of the claims of said Patent No. 635,280 that have been made and also that have been sold by the defendant in infringement of the Patent, and the gains and profits made by the defendant thereon, and the damages sustained by complainants by reason of such manufacture, use and sale.

VI. That complainants, Niels A. Christensen and Allis-Chalmers Company recover of the defendant, National Brake & Electric Company, their costs and disbursements in this suit to be duly taxed; and that the question of increased damages and all further questions be reserved until the coming in of the Master's report.

F. A. GEIGER,
Judge.

Dated Milwaukee this 21st day of August, 1914.

I see no objection as to form to the above.

Solicitor for Defendant.

12 In the United States Circuit Court of Appeals for the Seventh Circuit, October Term, 1914, April Session, 1915.

No. 2163.

NATIONAL BRAKE AND ELECTRIC COMPANY, Appellant,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Appellees.

Appeal from the District Court of the United States for the Eastern District of Wisconsin.

Before Baker, Kohlsaat, and Mack, Circuit Judges.

MACK, *Circuit Judge*:

Letters patent, No. 621,324, were issued March 21, 1899. Included therein was a sheet of drawings which had formed part of the original application but had been eliminated therefrom and made part of a separate application after a division. The patentee at once rejected the letters patent, returned them for cancellation and because of the error there was issued to him letters patent No. 635,280 on October 17, 1899. The latter patent in terms ran for seventeen years from its date.

Suit was begun on both patents, alleging an infringement of the invention and asking that if the latter should be deemed invalid because not issued in conformity with the reissue statute, R. S. sec. 4916, the attempted cancellation of the former should be deemed a nullity.

The four claims of the patent, all of which are here involved, read as follows:

"1. In a combined air-pump and electric motor the combination of the frame having a chamber adapted to contain oil, a shaft provided with a crank or eccentric inclosed in said chamber, a cylinder formed with or attached to said frame and opening at one end into said chamber, a piston fitted to work in said cylinder and
12a connected with said crank or eccentric, a motor-base attached to said frame and forming a cover for said oil-chamber, an armature supported upon said base and connected by gears with said crank-shaft, and a gear-case attached to said frame and motor-base and forming therewith an inclosure for said gears and a receptacle for holding oil, said frame, gear-case and motor-base completely inclosing and protecting the driving connection of the pump and the crank-shaft terminating within said gear-case, whereby a stuffing-box therefor is dispensed with, substantially as and for the purposes set forth.

"2. In a pump the combination with a frame or case formed or provided with a closed chamber adapted to exclude dirt and to con-

tain oil, a shaft having bearings in said frame or case and provided with a crank or eccentric within said chamber, a cylinder formed with or attached to said frame or case, a piston fitted to work in said cylinder and connected with said crank or eccentric, a shaft mounted on said frame or case and connected by gearing with said crank-shaft, and a gear-case forming an oil-tight closure over said gearing and the end of the crank-shaft with which the driving connection of the pump is made, whereby a stuffing-box for said crank-shaft is dispensed with, substantially as and for the purposes set forth.

"3. The combination of a frame provided with boxes and formed with an oil chamber or well between said boxes, a shaft supported in said boxes and provided between them with a crank or eccentric, a cylinder attached to said frame and opening at one end into the oil chamber or well therein, a piston fitted in said cylinder and connected with said crank or eccentric, a motor-base mounted upon said frame and forming a closure for said chamber, an armature-shaft supported in bearings upon said base parallel with said crank-shaft, and provided at one end with a pinion which meshes with a gear on the crank-shaft, and a case inclosing said pinion and gear forming a receptacle for holding oil, a part of said case over said pinion being detachable, substantially as and for the purposes set forth.

"4. The combination of a frame formed with an oil well or chamber and provided with boxes in communication with said chamber, a shaft supported in said boxes and provided with a crank or eccentric, a cylinder attached to said frame and opening at one end into said oil-chamber, a piston fitted in said cylinder and connected with said crank or eccentric, an electric motor mounted upon said frame and comprising a base which covers said oil-chamber and is provided on the upper side with oil-wells and box-housings having detachable caps and with an armature-housing and yoke having also a detachable cap, an armature and its shaft supported in said housings parallel with the crank-shaft and provided at one end with a pinion which meshes with a gear on said crank-shaft, and a gear-case forming an oil-receptacle and composed of two parts, one attached to the frame and motor-base, and the other to and removable with the cap of the adjacent box-housing, substantially as and for the purposes set forth."

As stated in the specifications, the main object of the invention was:

"To provide within small compass or in compact form a combined pump and motor of simple and durable construction that will not be affected by dust, mud, ice or snow, that will be efficient and economical in operation, and that will require little attention."

The particular use of the combined pump and motor was, as further stated therein:

COMPLAINANTS'.

Fig. 1.

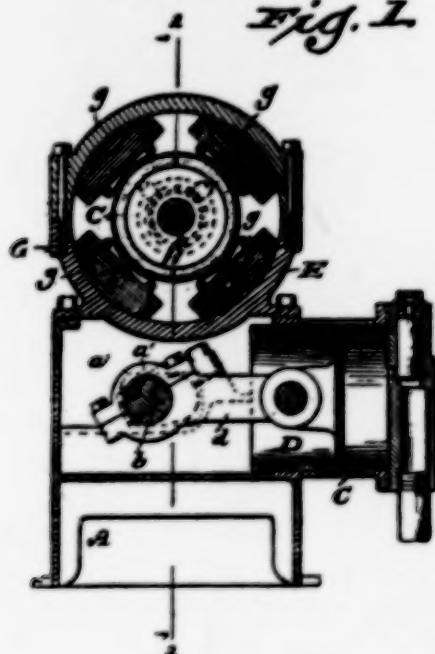
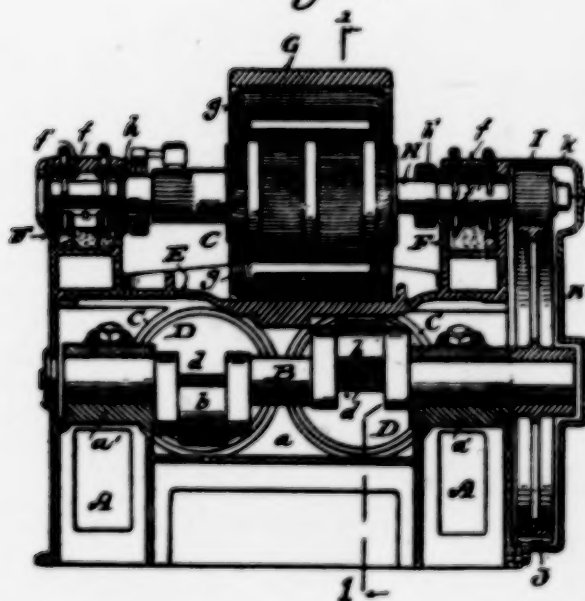


Fig. 2.





DEFENDANT'S.

FIG. 1

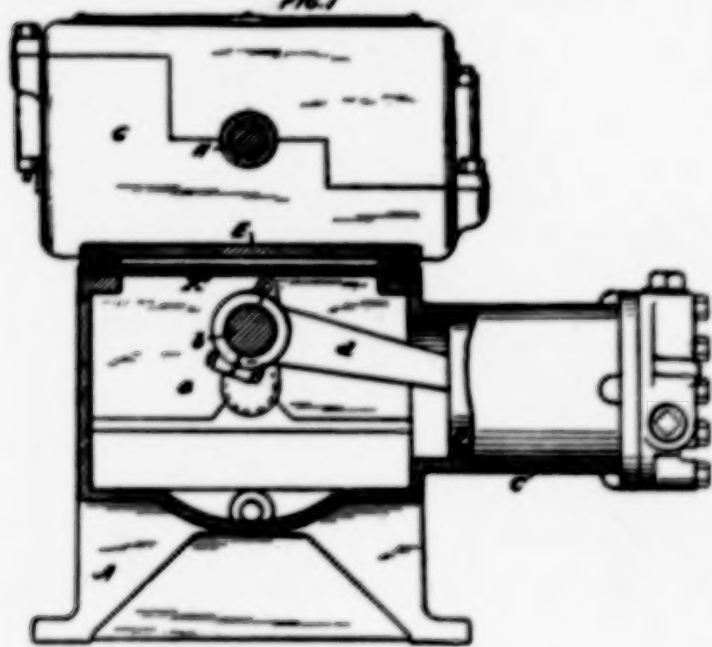
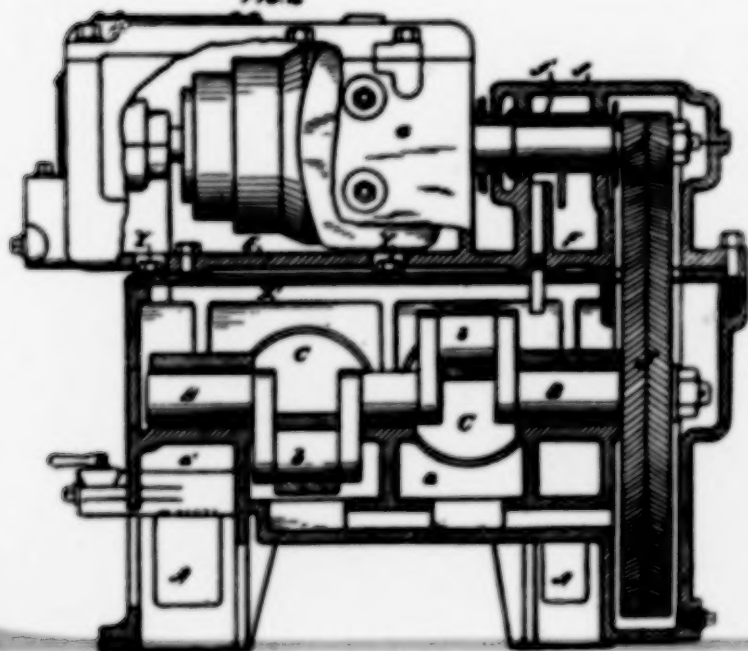
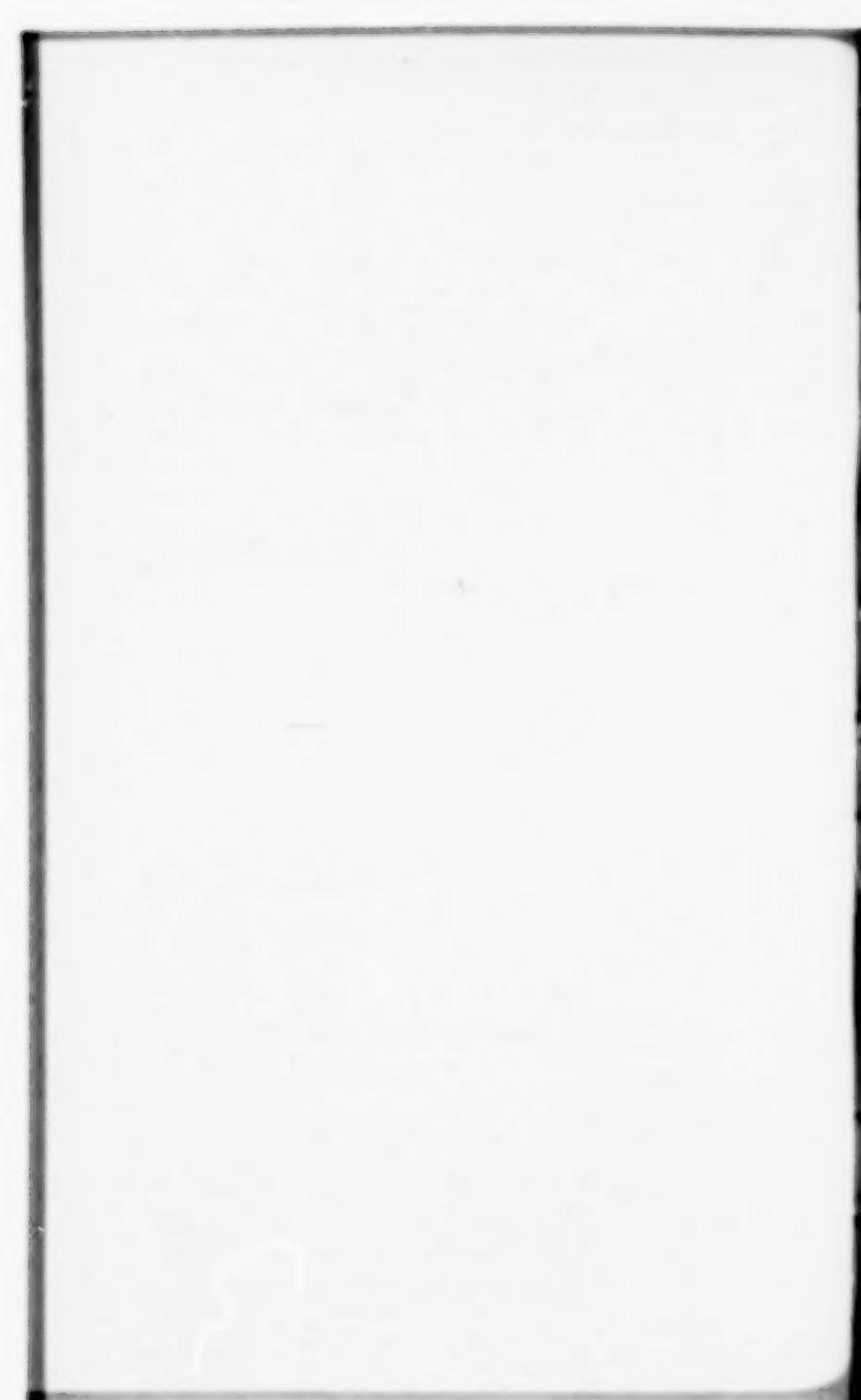


FIG. 2





"In connection with air-brakes for railway-cars on which the pump and motor are usually exposed to dust, mud and snow, and the working parts if unprotected soon become worn and inoperative, besides requiring constant or frequent attention."

Complainants' and defendant's devices are shown in the following drawings:

(Here follow drawings marked page 12c and page 12d.)

12e The modern electric trolley car requires for efficient operation a brake operated by compressed air. The air pump or compressor maintains a supply of air under heavy pressure, available when the brake is to be applied. An electric motor is advisable, inasmuch as the same electric current that supplies the car can give the motive power to operate the pump. Combining motor and pump is essential for compactness; thoroughly enclosing the parts enables the device to be placed in what is economically the best place, underneath the car, without endangering the construction and operation from the dirt, snow and ice that gather about it. The problem presented to Christensen was to secure this compactness, efficiency of operation, durability of the parts and, despite its location, accessibility for repairs. No device then on the market operated satisfactorily. Christensen's structure solved the problem. The evidence clearly establishes that it met an immediate need; was extensively adopted both in the United States and in other countries; that appellant, having become the purchaser of the works of a corporation, organized by the inventor for the manufacture of the device, through a bankruptcy sale, continued the manufacture under a license from 1905 until December, 1906; that it then cancelled the license and began to manufacture the alleged infringing equipment. The case is before us on appeal from a decree of the District Court holding the patent valid and infringed as to all of the claims.

1. It is of no moment which of the two patents be held to be in force. The surrender for cancellation of the one was conditioned upon the grant of a valid legal substitute. If the Commissioner of Patents was without authority to issue the second, then, in our judgment, his action in cancelling the first must be deemed legally ineffective. We agree, however, with the learned trial judge that while Christensen's procedure did not aim at a reissue, the situation is identical with that presented on an application for re-issue, and that, without formal application, the later patent might have been designated as a reissue. This is a case of a pure clerical error, not of double patenting. While two documents have been issued, there is but a single grant of one and the same right to the same person.

That the second patent was erroneously granted for a term of seventeen years from its date does not nullify it. The law itself prescribes the term of a patent; seventeen years is the maximum.

It may for several reasons expire at an earlier date. The failure properly to limit the term no more affects the validity 12f in this case than it does in a case where, because of a prior foreign patent having a shorter term, the United States patent by law expires before the end of the seventeen years specified in the document.

2. Claims 1, 3 and 4 are for the complete structure; claim 2 is for the pump alone. The several defenses will be considered separately as to these two classes of claims.

(a) As to claims 1, 3 and 4: concededly there is no direct anticipation. Novelty and invention in combining old elements is not

controverted, if the claims be limited to the form indicated in the drawings and in the literal language of the claims but, in that event, infringement is denied.

The conceded element of novelty is the creation of a unitary structure instead of a mere aggregation of air pump and electric motor by the use of the motor base for a cover of the compressor, that is, by the use of a single piece of metal; this, defendant says, alone saves the structure from the charge of aggregation; it admits that thereby, in addition to slightly greater compactness and a readier accessibility to the compressor parts, valuable in cleaning and repairing the cooling of the motor by the direct splashing of the oil in the compressor on this single metal sheet is obtained. It is important for the durability and efficiency of the motor that the heat therein be reduced as far as possible.

In defendant's structure, the metal sheets forming the motor base and compressor cover are bolted separately to their respective compartments. The air space between them is, in actual practice only $1/16$ to $3/16$ of an inch and is not uniform in any one machine. Defendant claims that its motor is cooled by means of this air space and that thus it secures an identical result without infringement, through the use both of a different construction and a different method. This is based on the theory that the space is a medium through which cooling air circulates and an insulator by which the heat of the compressor compartment is prevented from passing to the motor parts.

The thinness and lack of uniformity of the air space and particularly its tendency to fill with dirt and mud, however, practically nullify its usefulness as an air circulating medium; the tests, moreover, demonstrate the falsity of the insulation theory, upheld
12g by one of defendant's experts. They prove conclusively that more heat is generated in the motor than in the compressor compartment and that, therefore, in so far as the air space could fulfill its alleged function of insulation, it would check the desirable conduction of heat from the motor parts; it would act detrimentally, not beneficially.

The union of the motor and compressor boxes by a single sheet of metal serves, however, another function than that of enabling the splashed oil to act as a motor cooling medium. The metal sheet connection is a heat conductor; through it some of the greater heat of the motor compartment is conducted to the compressor chamber and dissipated. And this same function is attained in the same way in defendant's structure, for while it purports to separate the two sheets by a worse than useless air space, it actually joins them together by the bolts and bosses and also, when in operation, by the dirt and mud that gathers in the space. These form a heat conductor less efficient but substantially equivalent to complainant's single metal sheet.

We can see in defendant's structure, merely an attempt to evade complainant's patent by first dividing the one sheet of metal into two parts without any reason therefor and at the sacrifice of the desirable results of greater compactness and accessibility to the parts

and by then separating these two parts for an alleged purpose which, far from being attained, is reduced or lost in the measure that the intervening space actually remains an air chamber. If one plate were cast and a center space cored out, this piece of metal would be literally both motor base and compressor cover. Infringement is not avoided by completing the separation and then partially reuniting the parts.

Christensen himself made 120 devices, having the base cover in two parts with a space between but, as he says, he "abandoned" it because of its inferiority. This, however, was after his application had been filed; the so-called "abandonment" involved merely the practical substitution of the preferable for the less desirable form; it was not a legal abandonment to the public of any rights covered by his application and secured to him by the patent issued thereon.

Even if complainants are to be restricted to a very narrow range of equivalents, defendants' two plates joined by bolts and bosses though separated in part must be deemed substantially equivalent to complainants' single plate.

12*h* The gear case is variously described; claim 1 reads:

"A gear-case attached to said frame and motor-base and forming therewith an inclosure for said gear and a receptacle for holding oil, said frame, gear-case and motor-base completely inclosing and protecting the driving connection of the pump and the crank-shaft terminating within said gear-case, whereby a stuffing box therefore is dispensed with."

Claim 3.

"A case inclosing said pinion and gear forming a receptacle for holding oil, a part of said case over said pinion being detachable."

Claim 4.

"A gear-case forming an oil-receptacle and composed of two parts, one attached to the frame and motor-base, and the other to and removable with the cap of the adjacent box-housing, substantially as and for the purposes set forth."

Defendant's gear case is cast in part at least integrally with the pump box and is thus not a completely detachable attachment. For the reasons which we shall state in considering claim 2, infringement is not thereby avoided. Claims 1, 3 and 4 were, therefore, properly held valid and infringed.

(*b*) As to claim 2: This claim is for the pump alone. Anticipation, lack of invention and non-infringement are the defenses urged.

(*aa*) As to infringement: the two gear cases differ in that complainants' is a separate casting, attached detachably to the frame "A" by bolts, whereas defendant's is cast integrally as part of the

crank case up to the cover with an opening through which the upper part of the spur gear passes, and above that, integrally as part of the motor case.

While defendant's compressor and gear chambers thus form one and not, like complainants', two compartments, they may be separated in defendant's device so as to permit the use of different oils in the two chambers and the two chambers, in complainants' device, are, in fact, so connected as to permit the use of the same oil in both chambers. Thus, whether so cast as to form one or two chambers, separation or connection is feasible in both; with their detached caps and covers they form in practically equal measure an oil tight closure over the gearing and the end of the crankshaft, thus dispensing with the stuffing box for the crank shaft; irrespective of the number of separate pieces of metal of which they are composed or of the presence or absence of complete detachability from the rest of the structure, they have the same function of enclosing and protecting all the working parts of the transmission and of permitting the use of the same or different oils for the compressor parts and the gears. Defendant secures no new function by its construction; it loses some of complainants' advantages of easier access for alignment of the shafts and adjustment of gears. The two are substantially equivalent, unless complainants are to be limited to a detachably attached gear case.

While the word "attached" which is used in claims 1, 3 and 4, conveys primarily the conception of a union of one piece to another but detachable therefrom, it is also properly used to describe the relation between two parts of a single structure, each having its own function, whether cast integrally or originally separate and then joined together and, in the latter case, irrespective of whether or not the parts are detachable without injury to one or both. And a comparison of the several claims indicates that Christensen used the word in its broadest meaning as including the relation to the rest of the structure of a case which was either separate and detachable from or a portion of which was cast integrally with the crank case. In claim 3, in which the gear case is not specifically stated to be attached to the frame, its cover is described as detachable and in claim 4, while one part of the case is described as attached to the frame and motor base, the other part is stated not only to be attached to but to be removable from the adjacent box housing.

So far, however, as claim 2 is concerned, the gear casing, while stated as an element, is not further described as to its attachment to or detachment from the other parts of the device. There is no limitation other than that it forms part of a unitary structure. That the drawings and specifications show a detachably attached case indicates merely the preferred construction; it does not limit the claims to that form. In a somewhat analogous case the court said, in *National Tube Co. v. Mark*, 216 Fed. 507 (C. C. A., 6th Circuit):

12j "We find nothing upon the face of the patent requiring the claim to be limited to rolls which had these flanges attached to and integral with the rolls. It is true that neither by drawing

nor specification does Fell suggest the performance of this function by stationary parts of the frame, but this is not necessary. In the absence of something clearly showing that the patentee did intend to have his grant confined to a specific form, a broad and generic claim may rightfully stand on a mere specific disclosure; and the invalidity of such a claim (if it is invalid) will result, not from the applicants' failure to use more sweeping language in his specification but from the state of the art limiting the actual invention. The claims are part of the description required by Statute, and in them and not in that part of the description which is now commonly called 'specification,' is the proper place in which to define the breadth of the invention, as was most accurately apprehended by Fell's solicitor when he (though quite unnecessarily) said that various changes might be made 'without departing from my invention as defined by the appended claims.' "

The specifications, moreover, specifically state:

"It is obvious that various modifications in the details of construction and arrangement of parts may be made within the spirit and intended scope of my invention."

The concluding words of the claims "substantially as and for the purposes set forth," are, if possible, even weaker than the phrase "substantially as described" (very fully considered in *National Tube Co. v. Mark*, supra) to indicate a limitation of the claim to the preferred form shown in the drawings and specifications.

There is nothing in the history of this claim in the patent office which limits complainants to a detachably attached case.

(bb) As to anticipation. The nearest reference is claimed and conceded to be the Ward patent, No. 443,020 for refrigerating apparatus. The compact form of structure necessitated by the use for which the complainants' device is primarily designed makes the complainants' arrangement of the parts essential; Ward's machine, designed for a totally different purpose, enables him to locate the gearing, which connects the driving shaft and the crank shaft.

12k between the bearings, at the middle instead of at the end of the shaft, and to place the cranks on the ends. The gearing is partitioned off; no splashing effect of the oil from the gears onto the crank or vice versa, is possible. Moreover, these partitions form an enclosing gear case separating the crank compartments into two separate chambers; neither end of the crank shaft terminates in and is enclosed by this gear casing; intermittent lubrication is provided for these two crank chambers by openings in the top of the case. There could be no cooling effect of any oil on the working fluid or on the motor, as there is, when, in accordance with the specifications and the other claims, the motor base covers the Christensen pump chamber.

In the next nearest reference, the General Electric Co.'s Duplex Electric Sinking Pump, described in 21 *Electrical World*, 380

(1893), there is no communication between the gear and the crank chambers, so that the oil in one cannot flow into the other.

While an enclosed gear chamber, obviating the need of a stuffing box for the crank shaft end, is shown by the Grillenberger patent 209,673 and other references to be old, its use in a pump like complainants', designed or adaptable for the purposes to which it is to be put, and separably united, as this is, with the compressor chamber, has not been anticipated.

(cc) As to invention. The line between mechanical and inventive genius is often difficult to draw. This structure met a great need: highly skilled engineers familiar with the old elements failed thus to utilize them; the bringing of them together in this compact, ingenious form concededly amounted to invention. True, this applies to the combination of motor and pump; claim 2 is limited to the pump alone. The pump, however, necessarily requires some motive power; for the purposes for which it was primarily designed, the electric motor obviously was the only one that would be selected. The combination of

(a) an oil holding, gear enclosing case in which the one end of the crank shaft terminated and by which it was protected, dispensing with the undesirable stuffing box, and

(b) the compressor case with its parts so arranged as to utilize the oil for both lubricating and cooling purposes, if the motor should be attached to the pumps as stated in the other claims,

12l united in such a way as to secure the highly desirable compactness, ready accessibility to the parts, and adaptability, through their possible connection, to the flow of the same lubricant from one to the other, or by their possible separation, to the use of a different lubricant for each of them, required more than mere mechanical skill. No pump is shown to have anticipated Christensen's; none was adapted to this particular service, or had all of these functions; the utilization of old elements for this new form of construction to meet this specific need was, in our judgment, an exercise of inventive genius.

The decree of the district court is

Affirmed.

12m And afterwards, on the same day, to-wit: On the fifth day of October, 1915, in the October term last aforesaid, the following further proceedings were had and entered of record, to-wit:

TUESDAY, October 5, 1915.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.

Hon. Christian C. Kohlsaat, Circuit Judge.

Hon. Julian W. Mack, Circuit Judge.

Hon. Samuel Alschuler, Circuit Judge.

Edward M. Holloway, Clerk.

John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
 Hon. Christian C. Kohlsaat, Circuit Judge.
 Hon. Julian W. Mack, Circuit Judge.

2163.

NATIONAL BRAKE & ELECTRIC COMPANY

VS.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY.

Appeal from the District Court of the United States for the Eastern
 District of Wisconsin.

This cause came on to be heard on the transcript of the record from the District Court of the United States for the Eastern District of Wisconsin, and was argued by counsel.

On Consideration Whereof, It is now here ordered, adjudged and decreed by this Court that the decree of the said District Court in this cause be, and the same is hereby affirmed with costs.

A petition for a writ of certiorari to the United States Circuit Court of Appeals for the Seventh Circuit to review said decision was filed in the United States Supreme Court on behalf of said defendant and was denied February 21, 1916.

13 In the United States Circuit Court of Appeals for the Third
 Circuit.

In Equity.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
 COMPANY, Plaintiffs,

V.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Petition of Defendant for Writ of Certiorari or Writ of Mandamus from the United States Circuit Court of Appeals for the Third Circuit to the United States District Court for the Western District of Pennsylvania.

To the Honorable the Judges of the United States Circuit Court of Appeals for the Third Circuit:

Your petitioner, Westinghouse Traction Brake Company, respectfully represents as follows:

Your petitioner was sued in an action instituted by bill in equity in the United States District Court for the Western District of Penn-

sylvania, alleging infringement on the part of your petitioner of certain letters patent, amongst which were two original patents granted to the plaintiff Christensen, about seven months apart, covering identically the same invention, said patents being numbered 621,324, issued March 21, 1899, and 635,280, issued October 17, 1899, each of said patents being for a full term of seventeen years. The circumstances which brought about this remarkable result are fully set up in the bill of complaint, particularly in the paragraphs third, fourth and fifth. The first patent was identical with the second, except that it contained a sheet of drawings which the applicant had ordered canceled. Several months later Christensen sent the patent back and demanded a new one, but without applying for reissue, and on such bald demand the Commissioner of Patents issued an entirely new patent for seventeen years from the new date. The answer admits the facts to put in issue the validity of the second of said patents, 635,280, and pleads the invalidity of said patent, 635,280, as a second patenting to the same man of the same invention.

Aside from the matter of the seven months' difference in the dates of expiration of said patents, the question as to which of said patents was valid is vital in this cause because the bill avers in paragraph marked "eighth," the machines containing said invention manufactured by the plaintiffs were marked patented under said second patent, 635,280, but the bill contains no such averment as to patent 621,324, as to which latter clearly the plaintiffs, under the statutes, section 4900, could only secure an accounting if able to prove notice and infringement after notice. Both patents have now expired, and no question of injunction can possibly arise. There is nothing in the case as to these two patents except a question of possible recovery or accounting, and assuming the second patent to be invalid, as alleged in defendant's answer, under the state of facts set up in plaintiffs' bill, the plaintiffs clearly have no right to any relief under that patent, and the trial if any were had would have to be restricted to the first patent, and as to this patent

15 621,324, it is further to be noted that equity has no jurisdiction, since the bill was filed only ten days before the patent expired, and defendant was not summoned into court until twelve days after the patent had expired, in which case (as fully appears from the brief on the merits hereto attached, p. 44) the bill should be dismissed as to that patent also for lack of equity and not without prejudice. It is thus perfectly clear from study of the pleadings referred to, that the court below had before it in such pleadings, and independent of any other papers, records, or considerations whatever, full means to decide the question as to the validity of said second patent, 635,280, on the merits, and as to the lack of equity jurisdiction under said first patent 621,324.

Your petitioner respectfully shows that the suit in the Western District of Pennsylvania was begun on March 11, 1916, the subpoena being served March 13, 1916, the bill as originally filed being based upon the two patents already mentioned covering the same invention and relating to a combined pump and motor, and

another patent, 680,832, on a compressor valve. The prayer of the bill, on the statement of facts already mentioned regarding the relation between the said two patents for the same invention, submitted as an issue to the court the question as to which of said two patents was valid, and prayed an injunction alternatively under one or the other of the same; the answer, which was filed on April 17, 1916, set up a large number of prior patents and prior uses against all of said patents, and specifically pleaded invalidity of the second of said combined pump and motor patents, 635,280, by reason of the prior issue of the other patent, 621,324.

A large amount of testimony was taken under the statute de bene esse by both plaintiffs and defendant and duly filed in court, the plaintiffs themselves taking the testimony of no less than ten witnesses at great length at Milwaukee, Wisconsin, and in connection with the same, offering a large number of exhibits and introducing a certain stipulation which constituted in substance a restatement of the facts set up in the bill of complaint regarding the relation between the said two patents on the combined pump and motor device.

At one stage in the proceedings, plaintiffs by amendment added to their bill of complaint two other patents, namely, 753,954, for electrical machine, and 914,966, for compressor valve, and defences urging laches, failure of marking and notice, non-infringement and lack of validity were set up as to these patents in an amendment to the answer. The amendment to the bill was filed May 15, 1916, and the amendment to the answer on June 1, 1916.

During still another phase of the proceedings defendant endeavored to secure leave of court to amend its answer to set up therein a certain infringement by plaintiffs, urged as a counterclaim, but this motion was denied by the court below, in an opinion reported in 235 Fed. 898.

Your petitioner further shows that on March 13, 1916, plaintiffs brought a similar suit against your petitioner in Chicago, the bills in the two cases being identical, based upon the three patents, 621,324, 635,280 and 680,842. Defendant filed an answer in said Chicago suit, and since that date nothing has been done therein, but plaintiffs elected to proceed with the Pittsburgh suit, and have so proceeded diligently since the filing thereof.

The case in the Western District of Pennsylvania was set down for trial in accordance with the rules and called at the call of the trial calendar in November, 1916, and then continued until the December call, and finally a date for trial was fixed for January 22, 1917. On January 19, 1917, the plaintiffs noticed a motion, which was heard in court on January 20th, for a postponement of the date of trial, and after full argument on said motion on January 20th, the date of trial was postponed, by order of court, until February 13th. At the time of the trial of said motion for postponement, January 20, defendant, with its counsel and necessary witnesses, was all ready and prepared to proceed with the trial in Pittsburgh, and again made ready for trial in advance of the

new date set, February 13, 1917, when, a couple of days before said trial, the plaintiffs suddenly, on telegraphic notice, moved to dismiss the bill without prejudice. Defendant opposed such motion of dismissal on the ground that it would be thereby deprived of certain substantial rights, and before decision on said motion for dismissal, filed with the court formal motion "for judgment upon the pleadings and proofs already filed as to patents 635,280, 621,324 and 680,842." Said formal motion by defendant for judgment upon the merits with respect to said three enumerated patents was based upon certain allegations of the bill admitted in the answer with respect to the two patents on the combined pump and motor" and as to the other patent on the valve, 680,842, upon certain catalogues and exhibits showing defendant's construction.

The motion for judgment on the merits further says:

"As to patents 621,324 and 635,280 all the facts necessary to judgment are already in the record and in the bill of complaint and in admissions of the answer. Nothing is left except a judgment upon the legal points involved."

Affidavits were filed in support of the motion to dismiss and in opposition thereto, as well as typewritten briefs, and argument was had with respect to the situation presented by the defendant's motion for judgment on the merits, as well as with respect to the plaintiff's motion to dismiss, after which an opinion was rendered by his

Honor, Judge Orr, agreeing to allow the dismissal on conditions that the testimony taken be perpetuated and the plaintiffs pay the costs and the motion for judgment as to the three patents above mentioned was denied on the ground that the case had "not come on for trial," and that the "stipulations of counsel and exhibits are not in evidence." The court below, in concluding its opinion, stated that "If it were a question determinable upon reading the bill and answer, the ruling of the court might be different."

In view of the statement by the court below last above referred to, defendant presented a petition for rehearing on defendant's motion for judgment as to patents 621,324 and 635,280, specifically calling attention to the fact that such motion was *inter alia*, based upon that very ground that the question involved is "determinable upon the bill and answer," and that, under the authorities cited, under such circumstances defendant "has a right to have the case decided on its merits" to put an end to the litigation. This petition for rehearing the court below refused to pass upon on the ground that the case was no longer before the court, overlooking the fact that rule 69 plainly gives the court jurisdiction of such a petition, at least until the close of the term in which any decree may be entered, and also apparently disregarding the fact that the case was really only in condition for dismissal on conclusion of the taxation of costs, no taxation having yet been made.

Your petitioner presents the facts as above set forth, supported by a certified copy of such parts of the record below as are herein referred to, fundamentally on the ground that the action of the court below in refusing to render judgment on the merits as to the patents on the combined pump and motor, 621,324 and 635,280, and in refusing to pass upon defendant's petition for rehearing, has deprived

your petitioner of rights to which it is justly entitled under the law and also under the provisions of the equity rules, with respect to the raising of special defenses before the trial of the principal case, specifically provided for in said equity rule 29, and with respect to the provisions regarding petitions for rehearing contained in rule 69, and as such refusal of defendant's rights under the law and under said equity rules has the effect of depriving defendant of any right of appeal, your petitioner prays that this Honorable Court may be pleased to grant a writ of certiorari to the United States District Court for the Western District of Pennsylvania requiring it to certify the record to this Court in order that this Court may fully review the matter set up in its petition, or to grant a writ of mandamus addressed to said Court directing it to proceed to the trial and determination of the merits of the issues raised under the facts set up in the bill and admitted in the answer, with respect to the said patents 621,324 and 635,280.

THOMAS B. KERR,
PAUL SYNNESTVEDT,

Counsel for Petitioner.

April 23rd, 1917.

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TRANSCRIPT OF RECORD.

In the United States Circuit Court of Appeals for the Third Circuit,
March Term, 1917.

No. 2248.

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner.

v.

NIELS A. CHRISTENSEN, ALLIS-CHALMERS MANUFACTURING COMPANY, HON. CHARLES P. ORR, Respondents.

On Petition for Writ of Certiorari or Mandamus to the District Court of the United States for the Western District of Pennsylvania.

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3 Among the rolls, records and judicial proceedings had in
the United States District Court for the Western District of
Pennsylvania, at No. 80, May Term, 1916, may be found the fol-
lowing words and figures:

May Term, 1916.

No. 80.

NIELS A. CHRISTENSEN, a Citizen of the State of Wisconsin, and
ALLIS-CHALMERS MANUFACTURING COMPANY, a Corporation and
Citizen of the State of Delaware,

v.

WESTINGHOUSE TRACTION BRAKE CO., a Corporation and Citizen of
the State of Pennsylvania.

Lines, Spooner, Ellis & Quarles, Milwaukee, Wis.
Reed, Smith, Shaw & Beal, Wm. R. Rummeler, Tribune Bldg.,
Chicago.
James K. Bakewell, Thomas B. Kerr.

Docket Entries.

- March 13, 1916. Bill filed.
 " " " Subpoena issued.
 " 13, " Writ returned served on Westinghouse Traction Brake Company by handing to and leaving a true and attested copy thereof with C. A. Craig, Manager and Chief of Sales in charge of Westinghouse Traction Brake Company at Pittsburgh, Pa., March 13th, 1916.
- Apr. 17, 1916. Answer filed.
 May 25, 1916. Amendment to Bill of Complaint filed by leave of Court, deft. to have until June 1st to answer Bill as amended.
- June 1, 1916. Answer to amendment of the Bill of Complaint filed.
- 24
- July 28, 1916. Notice of motion to amend answer, affidavit and acceptance of service filed.
 " " " Testimony taken before Alex. Gilchrist, Jr., at New York, received and filed.
- Aug. 8, 1916. Stipulation extending time for taking depositions filed.
 " 12, " Preceipe for appearance of W. R. Rummaker for plaintiff filed.
 " " " Argument *sur* application to file counter-claim C. A. V.
- Sept. 21, " Stipulation extending time for taking depositions filed.
 " 22, " Testimony of behalf of defendant taken at Schenectady, N. Y., rec'd and filed.
 " 30, " Opinion filed and entered denying motion on part of defendant to amend answer by setting up a counter-claim of infringement.
- Nov. 6, 1916. Dropped from list subject to reinstatement upon preceipe.
 " 11, " Preceipe for Equity Calendar, May Term, 1917, filed.
- Dec. 22, " Stipulation and order as to cost of depositions filed entered.
- Jan. 9, 1917. Amendment to Answer and Order with Notice filed.
 " 10, " Depositions of R. P. Tell, W. J. Richards, H. W. Cheney, E. H. Bottum, John H. Hurley, William R. Crawford & B. T. Becker, filed.
 " 12, " Depositions of Thomas Redoar, Maxwell F. Lindner, Frank L. Massey, Patrick W. Connolly, Joseph F. Mance, Maxwell F. Lindner (re-called) and John W. Bingley.

25

- Jan. 20, 1917. Affidavit of N. A. Christensen re continuance filed.
 " " " Affidavits re continuance filed.
 Feb. 2, 1917. Exhibits (introduced in connection with depositions taken before W. J. Brickley, Notary Public, Milwaukee) received and filed.
 " 13, 1917. Petition of Plaintiffs to dismiss bill filed and entered.
 " " " Affidavit of Niels A. Christensen filed.
 " " " Answer to Plaintiffs' Motion to Dismiss filed.
 " " " Motion of defendant for judgment upon the record as to certain patents filed.
 " 19, " Copy of Order in General Electric Co. case filed.
 " 21, " Opinion filed and entered granting Petition to dismiss.
 " 24, " Order of Court dismissing bill filed and entered.
 Mar. 1, 1917. Petition of Defendant for rehearing filed and entered.

26 In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity.

No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Bill of Complaint.

To the Honorable the Judges of the United States District Court for the Western District of Pennsylvania:

Your orators, Niels A. Christensen and Allis-Chalmers Manufacturing Company, bring this their bill of complaint against the Westinghouse Traction Brake Company, and thereupon your orators complain and state:

First. Plaintiff Niels A. Christensen is and at all times hereinafter mentioned has been a citizen and resident of the United States and of the State of Wisconsin; and plaintiff, Allis-Chalmers Manufacturing Company, is and since 1913 has been a corporation duly created, existing and doing business under and by virtue of the laws of and a citizen of the State of Delaware, and having its general office in the city of Milwaukee, Wisconsin. Defendant Westinghouse Traction Brake Company is and at all times hereinafter mentioned has been a corporation duly organized, created, existing and doing

27 business under and by virtue of the laws of the State of Pennsylvania, and having its general office and place of business in the City of Pittsburgh, in said Western District of Pennsylvania.

Second. That heretofore on or about the 30th day of December, 1896, the plaintiff, Niels A. Christensen, a resident of said city of Milwaukee, being then and there the true, original and first inventor or discoverer of a certain new and useful improvement in combined pumps and motors not known or used by others in this country before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country before his invention or discovery thereof, or more than two years prior to his hereinafter mentioned application for patent therefor and not in public use or on sale in this country for more than two years prior to his said application, and not having been abandoned by him, and no application for a foreign patent for said invention or discovery having been filed more than twelve months prior to the filing of the said application in this country, duly made application to the Commissioner of Patents of the United States for the exclusive grant and monopoly for a term of seventeen years for and of said invention of a certain new and useful improvement in combined pumps and motors, under and agreeably to the Acts of Congress, and, as evidence of said grant and monopoly requested Letters Patent of the United States, all in accordance with the then existing laws of Congress; and having fully complied in all respects with the requirements of said laws, thereupon and on the 21st day of March, A. D. 1899, the said application of the plaintiff, Niels A. Christensen, was duly granted by the Patent Office of the United States and a

28 contract was thereby entered into and fully consummated between the plaintiff, Niels A. Christensen, and the United States covering and embracing said exclusive grant and monopoly for the full term of seventeen years from and after said 21st day of March, A. D. 1899; that said contract secured to said Christensen the exclusive right to make, vend and use his said invention for said term of seventeen years from March 21, 1899.

That to evidence said contract between the United States and the plaintiff Christensen, Letters Patent of the United States, No. 621,324, dated March 21, A. D. 1899, and signed, sealed and executed in due form of law for the said invention, were issued to the plaintiff Christensen, and which said letters patent were then and there intended to evidence the said exclusive grant and monopoly and the full and exclusive right of the plaintiff Christensen and his heirs and assigns, to make, use and sell under said contract the said invention throughout the United States and the territories thereof for the full term of seventeen years from and after March 21, 1899, as will more fully appear by the said letters patent, or a copy thereof duly certified from the records of the Patent Office, and in this court to be produced.

Third. That on or about September 16, 1899, the plaintiff Christensen discovered that the said Letters Patent No. 621,324 evidencing his said contract with the United States as to said new and useful

improvement or invention in combined pumps and motors contained a discrepancy and was inaccurate in the particulars hereinafter stated, and being advised that the same might be construed to be in some particular or particulars defective, refused to accept said letters patent as proper evidence of said exclusive grant and returned the same to the Commissioner of Patents, and, with said refusal to

accept and the return of said letters patent, the plaintiff

29 Christensen petitioned said Commissioner of Patents, representing that he was the person to whom said Letters Patent No. 621,324 for combined pump and motor were issued on March 21, 1899, upon application serial No. 617,464, filed December 30, 1896; that in response to an action by the Patent Office, dated June 7, 1898, requiring division of said application on the ground that it contained two separate and independent inventions, two amendments dated July 1, 1898, were filed July 18, 1898, wherein and whereby sheet 2, containing figures 3 and 4 of the drawing, was eliminated and the description of said figures and of the subject matter therein shown was cancelled; that upon such amendments, said application was allowed on August 24, 1898; that said patent issued thereon as aforesaid did not conform with the record in the Patent Office in that it contained the second sheet of drawings with figures 3 and 4 which was eliminated by one of the aforesaid amendments and that said figures 3 and 4 and the subject matter therein shown are not described in the specifications of said letters patent, the description thereof having been stricken out in conformity with the other amendment above mentioned; and requesting that, for the reasons aforesaid, said Letters Patent No. 621,324 be cancelled and that new letters patent be issued to him in conformity with the record of the case in the Patent Office; that said figures 3 and 4 shown on said sheet 2 of drawings then and there belonged to an application for a patent then pending in said Patent Office, being serial No. 686,266 and upon which letters patent to the plaintiff Christensen thereafter issued No. 680,842, dated August 20, 1901; that said return of Letters Patent No. 621,324 was made for the sole and only purpose of securing a correction therein by having said sheet 2 eliminated from the drawing attached thereto; that in

30 making said petition and returning said letters patent, the plaintiff Christensen did not intend or undertake to, and did not in any way, surrender his said contract with the United States or his said exclusive grant and monopoly to make, use and vend his said invention or in any other way abate, limit, restrict, or waive any of the rights, privileges and estate which he had and possessed, or which he was entitled to have and possess, under his said contract, grant, and monopoly; that thereafter and on the 17th day of October, 1899, such proceedings were had in the United States Patent Office and by the Commissioner of Patents of the United States that the request of the petition of the plaintiff Christensen was granted and said Commissioner of Patents then and there undertook or pretended to cancel said Letters Patent No. 621,324 evidencing said contract, exclusive grant, and monopoly and to issue in lieu thereof to the plaintiff Christensen Letters Pat-

ent of the United States No. 635,280, bearing date October 17, 1899, evidencing said contract, grant, and monopoly and purporting to grant to the plaintiff Christensen and to his heirs and assigns, for a term of seventeen years from and after the date thereof, to wit, the 17th day of October, 1899, the full and exclusive right of making, using, and selling his said invention throughout the United States and the territories thereof, as will more fully appear by the said letters patent or a copy of the same duly certified from the records of the Patent Office and in this court to be produced.

That said Letters Patent No. 635,280 were received by the plaintiff Christensen on or about October 17, 1899, and are identically the same as the said Letters Patent No. 621,324 save and except only that in said last numbered patent, the said sheet 2, being figures 3 and 4, was eliminated and said last numbered patent purported to be for a term of seventeen years from and after its date of issuance, to wit, the 17th day of October, A. D. 1899, instead of for a
31 term of seventeen years from and after the date of the first numbered letters patent, to wit, the 21st day of March, A. D. 1899.

Fourth. The plaintiffs further allege that said exclusive grant and monopoly, to the plaintiff Christensen for said new and useful improvement in combined pumps and motors, was for a period of seventeen years only from and after March 21, 1899; that ever since the acceptance of the plaintiff Christensen's said application and its allowance by the Patent Office of the United States, said contract hereinbefore described has been and is now valid and in full force and effect, irrespective of whether said contract was or is evidenced by said Letters Patent No. 621,324 or said Letters Patent 635,280; that the plaintiffs hereby expressly disclaim, waive, and relinquish for purposes of this suit any and all claims to any grant and to any and all damages on account of infringement or otherwise from and after the expiration of seventeen years from and after said March 21, 1899, regardless of whether said Letters Patent No. 635,280 shall be held by the courts to be valid or otherwise.

Fifth. And plaintiffs further allege that the mistake in said Letters Patent No. 621,324 evidencing said grant and monopoly to the plaintiff Christensen was the mistake solely of the Patent Office of the United States and arose in no way through the act or fault of the plaintiffs or either of them, and that neither of the plaintiffs is in any way responsible for or chargeable with any error which may have been committed, or which the Court may find to have been committed, by said Patent Office in attempting and assuming to cancel said first numbered patent, in making said correction and
32 in attempting and assuming to issue and in issuing the second numbered patent for the term therein mentioned; that if it should be determined by the Court that said last numbered patent is invalid for the reason that the same was issued for a longer time than the term to which the plaintiff Christensen is entitled to have his said exclusive grant and monopoly, then, and in such case, the attempted action of the said Commissioner of Patents and of the

Patent Office of the United States in attempting and assuming to cancel said Patent No. 621,324 was and is wholly void and of no force and effect and that said first numbered patent therefore is now, and at all times since its issuance, has been, valid and in full force and effect, and that the said return thereof by the plaintiff Christensen for correction as aforesaid did not constitute a surrender or abandonment of his said invention or of his said exclusive grant and monopoly or of any of his rights, interests, and estates therein or thereby created; and that the plaintiff Christensen in such case is entitled to a return of said first numbered patent and to judgment and decree of the court that, with or without such return, said first numbered patent is now, and ever since its said issuance has been, in all respects valid and in full force and effect.

Sixth. That heretofore, on or about the 18th day of July, 1898, the said Christensen, being then the true, original and first inventor or discoverer of a certain new and useful improvement in valves for compressors, not known or used by others in this country before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country before his invention or discovery thereof, or more than two years prior to his herein-after mentioned application for patent therefor, and not in public use or on sale in this country for more than two years prior to his said application, and not having been abandoned by him, and no application for a foreign patent for said invention or discovery having been filed more than twelve months prior to the filing of the said application in this country, duly made application to the Commissioner of Patents of the United States for letters patent in accordance with the then existing Act of Congress in that behalf; and having in all respects complied with the conditions and requirements of said Acts of Congress, thereupon, on the 20th day of August, 1901, the said application of the said Christensen was duly granted by the Patent Office of the United States, by virtue of which there was granted and secured to the said Christensen, his heirs or assigns, or intended so to be for the terms of seventeen years after the date of said letters patent, the full and exclusive right of making and using, and vending to others to be used, said improvements set forth in said letters patent, as by said letters patent or a duly certified copy thereof, here in court to be produced, will more fully appear.

Seventh. That by virtue of the premises, the said Christensen became, ever since has been, and now is, the sole and exclusive owner of said improvements in valves for compressors, and of said letters patent, subject to a certain license granted to the Allis-Chalmers Company as hereinafter stated.

Eighth. Plaintiffs further allege that on or about the 7th day of May, A. D. 1906, the plaintiff Christensen, for a valuable consideration, entered into a written contract with the Allis-Chalmers Company, the predecessor of plaintiff Allis-Chalmers Manufacturing Company, wherein and whereby the said Christensen gave an exclusive license, for a royalty therein mentioned and provided, to said Allis-

34 Chalmers Company to make and use and sell to others, to be used, the combined pumps and motors and valves for compressors described in said contract and said letters patent, and each of them, in all the States of the United States and the territories thereof; that prior to the commencement of this action said license together with the right to recover profits and damages for past infringement was duly assigned to plaintiff, Allis-Chalmers Manufacturing Company and it is now the owner thereof; that the plaintiff Christensen has ever since been, and still continues to be, the owner of said contract, exclusive grant, and monopoly, and of said letters patent and each of them, and of all rights therein, except the license now owned by said Allis-Chalmers Manufacturing Company; that the plaintiffs are entitled to an injunction against the wrongs and injuries committed by the defendant hereinafter mentioned and to all profits realized by the defendant from the infringing acts and to all damages arising from said infringing acts of the defendant hereinafter mentioned.

That since the plaintiff Christensen became the owner of said letters patent as aforesaid, both he and the said Allis-Chalmers Manufacturing Company have invested and expended large sums of money and have been to great trouble in and about said invention, and for the purpose of carrying on the business of manufacturing and selling machines containing the said inventions, and making the same profitable to themselves and useful to the public; that said inventions have ever been and are of great benefit, utility, and advantage to the public; that a large number of such machines were made by the plaintiff Christensen and his licensees and sold by said Christensen and said licensees to great advantage to the public; that the public, ever since said exclusive grant to the plaintiff Christensen, has had due notice that

35 said motor compressors, valves, articles and apparatus are made under said grants or monopolies and have been and are marked by fixing thereon the word "Patented," together with the day and year of the issuance of said patents numbered respectively 635,280 and 680,842; that the public has known, widely recognized and acquiesced in the validity of said exclusive grants and monopolies to said Christensen, in the utility and advantages of said improvements and in the aforesaid exclusive title and rights of the plaintiffs and each of them thereto and therein; and the plaintiffs allege, on information and belief, that the defendant has received and is now receiving large gains, advantages, and profits therefrom, but to what extent, and how much exactly, the plaintiffs do not know and pray a discovery thereof.

Ninth. Plaintiffs further allege that the defendant has well known all the facts hereinbefore set forth, but nevertheless contriving to injure the plaintiffs and each of them, and to deprive them of the profits, benefits and advantages which might and otherwise would have accrued to the plaintiffs from the said exclusive grants and monopolies or any of them, whether evidenced by said letters patent or any of them, or otherwise, the defendant after October 17, 1899, and within six years prior to the institution of this suit, and within the district within which this suit is brought, without the license of

the plaintiffs or either of them, and against the plaintiffs' will and the will of each of them, and in violation of the rights and estate of each of them in and to said grants and monopolies, unlawfully and wrongfully made, used and sold, ever since has continued, and still continues unlawfully and wrongfully to make use and sell devices or apparatus in large quantities and on an extensive scale which embody the inventions or discoveries claimed in and covered by the plaintiff Christensen's said exclusive grants, monopolies and contracts, or either of them; that the inventions and discoveries claimed in and covered by the plaintiff Christensen's said patents are capable of embodiment and as made, used and sold by defendant as aforesaid are embodied in one and the same unitary structure and device; that the defendant intends and is threatening to continue to make said infringing devices and apparatus which embody the said inventions or discoveries of the plaintiff Christensen or either of them, in large quantities, and is fully prepared so to do, and to supply the market therewith, and to sell and vend the same; that the defendant has, ever since the commencement of this said action, as well as prior thereto, refused and still refuses, to pay to the plaintiffs, or either of them, any of the profits which have been made, or which may be made, by such unlawful and wrongful manufacture, use and sale, or to desist from the further infringement of said exclusive grants and monopolies to the plaintiff Christensen, all of which acts are in violation and in defiance of the rights acquired by and secured to the plaintiffs as aforesaid, and to their great and irreparable loss and injury and by which they have been and still are being deprived of great gains and profits which they might and otherwise would have obtained, and which have been received and enjoyed, and are still being received and enjoyed by the defendant by and through its aforesaid unlawful and wrongful acts and doings.

Tenth. Plaintiffs further allege that the use of said inventions by the defendant and its preparation for continuing and avowed determination to continue the same, and its other aforesaid unlawful and wrongful acts in disregard and defiance of the rights of the plaintiffs have the effect to and do encourage or induce others to infringe or attempt to infringe said exclusive grant and monopoly to said Christensen in disregard of the plaintiffs' said rights.

Eleventh. Plaintiffs further allege that, prior to the institution of this action, they caused due notice to be given to the defendant of said infringements and of the rights of the plaintiffs in the premises and requested it, said defendant, to desist and refrain therefrom, but the defendant has ever since disregarded said notice and refused to desist from said infringements, and, with full knowledge, but in defiance of the plaintiffs' said rights, still continues to make and sell said patented machines and to infringe the said inventions and exclusive grants and contracts of the plaintiff Christensen.

Wherefore, the plaintiffs pray:

(1) That said exclusive grant and monopoly to said Christensen and contract between the United States and said Christensen for said new and useful improvement in combined pumps and motors for the term of seventeen years from and after March 21, 1899, be by the Court in all respects adjudged to be valid and in full force and effect; and that the title and respective rights of the plaintiffs therein and thereto be adjudged by the Court to be as hereinbefore alleged in this bill of complaint.

(2) That said Letters Patent No. 635,280 be held by the Court to be evidence of said grant, monopoly and contract for said terms of seventeen years from and after March 21, 1899, and be limited expressly to that time in accordance with the waiver hereinbefore made and pleaded and irrespective of any language to the contrary in said letters patent contained, and that said letters patent, when so restricted, be in all respects held to be valid and in full force and effect.

(3) That if the Court shall adjudge said Letters Patent No. 635,280 not to be capable of being restricted or limited to the extent and in the particular specified in the preceding subdivision hereof, and to be null and void ab initio, then, in
38 *and in* such event, the Court adjudge and decree that the acts of the Commissioner of Patents and of the Patent Office of the United States in attempting to cancel said Letters Patent No. 621,324, were and are wholly ineffective and null and void ab initio and that said Letters Patent No. 621,324 are now, and ever since their said issuance on March 21, 1899, have been in all respects valid and in full force and effect and evidence of the said existing exclusive grant to said Christensen and contract between the United States and the plaintiff Christensen; and the judgment and decree of this Court be entered herein that the plaintiff Christensen is entitled to have said Letters Patent No. 621,324 dated March 21, 1899, forthwith returned by said Patent Office to said Christensen, and that, with or without such return, said judgment and decree of the Court shall stand and operate in all respects in lieu thereof.

(4) That said Letters Patent No. 680,842, may be declared to be valid and that the title and respective rights of the plaintiffs therein and thereto be adjudged by the Court to be as hereinbefore alleged in this bill of complaint, and that the manufacture, use and sale of said valves for compressors by the defendant may be declared to be an infringement of said letters patent.

(5) That a writ or writs of subpoena ad respondendum may issue, directed to the said defendant, Westinghouse Traction Brake Company, commanding it to appear and answer unto this bill of complaint on a day certain therein to be named (but not under oath, an answer under oath being hereby expressly waived) and to obey and perform such order and decree in the premises as to the

Court may seem meet and may be required by the principles of Equity and good conscience.

39 (6) That the defendant may be decreed to account for and pay to the plaintiffs the profit or income unlawfully and wrongfully derived from the violation of the plaintiffs' said rights, and, that upon entering the decree against the defendant for infringement, the Court may proceed to assess or cause to be assessed under its direction, in addition to the unlawful profits or income to be accounted for by the defendant as aforesaid, the damages plaintiffs have sustained by reason of such infringement and that the Court may increase the actual damages so assessed to a sum equal to three times the amount of such assessment, under the circumstances of the unlawful and unjust infringement by the defendant as hereinbefore set forth.

(7) That a writ of injunction may be issued from and under the seal of the Court, perpetually restraining the defendant, its clerks, attorneys, servants, agents, workmen, and officers, and each and every of them, from any further manufacture, use, or sale in any manner of said patented improvements or either of them or any part thereof, in violation of said plaintiffs' rights, and that the infringed devices or apparatus in the possession or use of the defendant may be decreed to be destroyed or delivered to the plaintiffs for that purpose.

(8) That a provisional preliminary injunction may be issued restraining the defendant, its clerks, attorneys, servants, agents, workmen, and officers, and each and every of them, from any further manufacture, use, or sale in any manner of said patented improvements or either of them or any part thereof, pending this cause.

(9) That the plaintiffs have and recover of the defendant their costs and disbursements herein, and that such other and further relief may be granted and decreed to the plaintiffs as the equity of the case may require and to the Court may seem meet.

Dated Milwaukee, Wisconsin, March 10, 1916.

NIELS A. CHRISTENSEN, *Plaintiff*.
 LINES, SPOONER, ELLIS & QUARLES,
Solicitors for Said Plaintiffs, Pabst
Building, Milwaukee, Wisconsin.
 REED, SMITH, SHAW & BEAL,
Solicitors for Plaintiffs, 1021 Carnegie
Building, Pittsburgh, Pennsylvania.

JOSEPH B. COTTON,
 WILLET M. SPOONER,
 WILLIAM R. RUMMLER,
Of Counsel.

STATE OF NEW YORK,
City of New York, County of New York,
Borough of Manhattan, ss:

Niels A. Christensen, being first duly sworn, says that he is one of the plaintiffs in the above entitled cause; that he makes his verification on behalf of himself and on behalf of his coplaintiff, the Allis-Chalmers Manufacturing Company, the corporation described in the foregoing bill of complaint; that he has read said bill of complaint and knows the contents thereof and that the same is true of his own knowledge except as to the matters therein alleged upon information and belief, and as to those matters he believes it to be true.

NIELS A. CHRISTENSEN.

41 Subscribed and sworn to before me, a Notary Public, in and for said county and State this 10th day of March, A. D. 1916.

C. W. KING,

Notary Public, Kings County, No. 157.

Kings County Register's No. 7073.
 New York County Clerk's No. 187.
 New York County Register's No. 7181.
 Commission expires March 30, 1917.

Subpoena in Equity.

In the District Court of the United States for the Western District of Pennsylvania.

UNITED STATES OF AMERICA,
Western District of Pennsylvania, ss:

The United States of America to Westinghouse Traction Brake Company, a corporation and citizen of the State of Pennsylvania:

We command you and every of you, that you appear before the judges of the District Court of the United States for the Western District of Pennsylvania, at the City of Pittsburgh, in the said district, to answer the bill of complaint of Niels A. Christensen, a citizen of the State of Wisconsin, and Allis-Chalmers Manufacturing Company, a corporation and citizen of the State of Delaware, for infringement of letters patent filed in the Clerk's Office of said Court in the City of Pittsburgh, in said district, then and there to receive and abide by such judgment and decree as shall then and thereafter be made, upon pain of judgment being pronounced against you by default.

42 And this you are in no wise to omit, under such penalties as are inflicted by the laws of the United States.

Witness, the Honorable, the Judges of the District Court of the United States for the Western District of Pennsylvania, at the City of Pittsburgh, this 11th day of March, A. D. 1916, and in the 140th year of the Independence of the United States of America.

[SEAL.]

J. WOOD CLARK,

Clerk.

MEMORANDUM.—The defendant in this case — required to file answer or other defense in the Clerk's Office of said Court on or before the twentieth day after service excluding the day thereof; otherwise the Bill may be taken pro confesso.

J. WOOD CLARK,

Clerk.

LINES, SPOONER, ELLIS & QUARLES,
 REED, SMITH, SHAW & BEAL,

Solicitors for Complainants.

Return on Service of Writ.

UNITED STATES OF AMERICA,

Western District of Pennsylvania, ss:

I hereby certify and return that I serve the annexed Subpoena in Equity on the therein-named Westinghouse Traction Brake Company by handing to and leaving a true and attested copy thereof with E. H. Craig, Manager and Chief of Sales in charge of Westinghouse Traction Brake Company at Pittsburgh, Pa., in said District on the 13th day of March, A. D. 1916.

JOSEPH HOWLEY,

U. S. Marshal,

By THOMAS P. CAMPBELL,

Deputy.

Service, \$2.00.

43 District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Answer.

Westinghouse Traction Brake Company, defendant, in answer to the bill of complaint of Niels A. Christensen and Allis-Chalmers Manufacturing Company, plaintiffs, says:

(1) Defendant admits the granting to the plaintiff Christensen of Patents No. 621,324 on March 21, 1899, No. 635,280 on Octo-

ber 17, 1899, and No. 680,842 on August 20, 1901; but defendant is without knowledge of the incorporation of the Allis-Chalmers Company or the corporate existence of the plaintiff Allis-Chalmers Manufacturing Company, or the alleged written contract of license from plaintiff Christensen to the Allis-Chalmers Company or an assignment of the said license agreement, together with the right to recover profits and damages for past infringement, to plaintiff, Allis-Chalmers Manufacturing Company, or whether the plaintiff Christensen is the owner of said patents, or whether the machines alleged to be manufactured and sold by the plaintiff Christensen and his licensees were marked "patented" in accordance with section 498 of the Revised Statutes.

44 (2) Defendant denies that it has ever made, used or sold, or intends to make, use or sell, any of the inventions covered by said patents, or intends to make, use or sell the inventions covered by said Patent No. 680,842; and defendant also denies that plaintiff even notified it of its alleged infringement, as asserted in paragraph eleventh of the bill.

(3) Defendant avers that Patent No. 635,280 is void, being issued without warrant of the law, by reason of the previous grant of Patent No. 621,324, for the same invention.

(4) Defendant avers that Patents Nos. 621,324 and 635,280 are void, because the alleged invention claimed therein was patented prior to the patentee's supposed invention or discovery thereof, in the following United States patents:

- No. 13,816, to Clark, dated November 20, 1855.
- No. 209,673, to Grillenberger, dated November 5, 1878.
- No. 301,967, to Cumming, dated July 15, 1884.
- No. 395,722, to Thorne, dated January 8, 1889.
- No. 439,792, to Storey, dated November 4, 1890.
- No. 443,020, to Ward, dated December 16, 1890.
- No. 461,799, to Westinghouse & Bayley, dated October 20, 1891.
- No. 555,376, to Hunt, dated February 25, 1896.
- No. 313,008, to Lynn, dated February 24, 1885.
- No. 550,330, to Rennerfelt, dated November 26, 1895.
- 45 No. 556,713, to Geisler, dated March 17, 1896.
- No. 538,335, to Wessels & Lee, dated October 22, 1895.

And in the following French patent:

No. 148,004, March 20, 1884, to Megy.

(5) Defendant avers that the Patents Nos. 621,324 and 635,280 are void, because the alleged invention claimed therein was described prior to the patentee's supposed invention or discovery thereof, in the following printed publications:

Electrical World, Vol. 21, p. 380, May 20, 1893, article entitled "Duplex Electric Sinking Pump."

Electric Engineer, Vol. 16, pp. 37-8, July 12, 1893.

Electrical Engineer, Vol. 21, p. 52, January 8, 1896, article entitled "New Standard Air Brake Compressor."

Electrical Engineer, Vol. 21, pp. 474-5, article entitled "Standard Air Brake Apparatus."

Street Railway Journal, Vol. 10, pp. 319-80, article entitled "Genett Improved Air Brakes."

Street Railway Journal, Vol. 10, pp. 319-20, October 15, 1896.

(6) Defendant avers that Patents Nos. 621,324 and 635,280 are void, for the reason that the patentee was not the original, first and sole inventor or discoverer of the thing patented therein or any material and substantial part thereof, but that the same was in public use at the following places and by the following persons:

By the Standard Air Brake Company of New York, at New York, N. Y., Philadelphia, Pa., and on the cars of Washington, Alexandria and Mt. Vernon Railway at Alexandria, Va., and on the cars of the Bedford, Akron & Cleveland Railway at Cuyahoga Falls, Ohio; and such use was known to E. J. Wesels, residing at New York, N. Y.; H. P. Merriam, residing at New York, N. Y.; W. E. Christ, residing at New York, N. Y.; C. Howels, residing at Washingtonville, N. J.; O. A. Sandborg, residing at East Pittsburgh, Pa.; R. W. Baker, B. Crandorf and W. Meily, residing at West Rochelle, N. J.; B. P. Flint and C. E. Abbott, residing at Washington, D. C., and J. C. Colvin, residing at Webster P. O., Wayne County, Ind.

By the Genett Air Brake Company at Chicago, Ill., and said use was known to George E. Baker and M. L. Rothschild, residing in New York, N. Y.

By the Thomson-Houston Electric Company at Lynn, Mass., and the General Electric Company at Schenectady, N. Y., and such use was known to Maxwell M. Day, residing at Schenectaday, N. Y., and to other persons whose names defendant has not yet ascertained.

By the General Electric Company on the Intermural Railway at the World's Fair at Chicago, Ill., in 1893, and such use was known to several persons whose names and residences defendant has not yet ascertained.

(7) Defendant avers that Patents Nos. 621,324 and 635,280 are void, for the reason that the thing claimed therein did not involve invention but was merely a double use of old and well-known apparatus.

(8) Defendant avers that the Patents Nos. 621,324 and 635,280 are void, for the reason that the thing claimed therein is a mere aggregation not involving patentable quality.

(9) Defendant avers that Patent No. 680,842 is void, because the alleged invention claimed therein was patented prior to the patentee's supposed invention or discovery thereof, in the following United States patents:

No. 116,008, to Lungen, dated July 4, 1871.

No. 261,019, to Merrick & Melcher, dated July 11, 1882.

No. 283,955, to Bennett, dated August 28, 1883.

No. 287,005, to Cullingsworth, dated October 23, 1883.

No. 309,991, to Steinberger, dated December 30, 1884.

- N. 351,257, to Lugen, dated October 26, 1886.
 N. 487,964, to Clayton, dated November 29, 1892.
 No. 552,926, to Reynolds, dated January 14, 1896.
 No. 554,604, to Morgan, dated February 11, 1896.
 No. 559,908, to Prescott, dated May 12, 1896.
 No. 546,591, to Hunt, dated September 17, 1895.
 No. 579,775, to Sergeant, dated March 30, 1897.
 No. 516,532, to Hill, dated March 13, 1884.

And in the following French patent:

No. 167,965, March 30, 1885, to Karting.

(10) Defendant avers that if the claims of the patents in suit could be held to be valid to cover the structures shown and described in the said patents any construction of said claims as would include the machines manufactured by the defendant, would render
 48 the said patents void by reason of anticipation by the prior art, as illustrated in the prior patents, publications and use set up in previous paragraphs of this answer.

(11) Defendant further answering says that since the year 1901, it has continuously and extensively manufactured and sold various forms of combined pump and motor, and that such manufacture and sale has been open and notorious and that it has built up an extensive business in the same throughout the United States; that plaintiffs have had full knowledge of such open and extensive manufacture and sale but have asserted no adverse right in the patents here in suit with respect to such manufacture and sale by the defendant until shortly prior to the filing of this suit; and that plaintiffs are now estopped by their long acquiescence in such manufacture and sale from asserting that the same is an infringement of the patents in suit and have been guilty of such laches as concludes it against any right of relief in equity.

Defendant therefore submits that the plaintiffs have no ground of action nor right to any relief against this defendant and prays to be hence dismissed with its costs.

WESTINGHOUSE TRACTION BRAKE COMPANY,
 By H. H. WESTINGHOUSE,
President.

JAMES K. BAKEWELL,
Solicitor for Defendant.
 THOMAS B. KERR,
 I. U. SYNNESVEDT,
Counsel for Defendant.

49 CITY OF NEW YORK,
County of New York, State of New York, ss:

On this 15th day of April, 1915, before me appeared H. H. Westinghouse, who, being duly sworn, deposes and says that he is the president of the Westinghouse Traction Brake Company, the defendant herein; that he has read the foregoing answer and knows the

contents thereof and that the same is true to the best of his knowledge and belief.

[SEAL.]

HARRY D. HENSCHEL,
Notary Public.

New York County No. —.

New York Register No. —.

Term Expires March 30, 1917.

In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 80.

NEILS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Amendment to Bill of Complaint.

And now come the plaintiffs, and with leave of Court first had and obtained, amend their bill of complaint herein as follows:

First. In the 16th line of page 8, after the words "the said application of the said Christensen was duly granted by the Patent Office of the United States," insert:

"Letters Patent of the United States, numbered 680,842, signed, sealed and executed in due form of law for the said invention, were granted to said Neils A. Christensen."

Second. In paragraph ninth, page 11, beginning in line 12, and extending through line 19, strike out the part reading as follows:

"that the inventions and discoveries claimed in and covered by the plaintiff Christensen's said patents are capable of embodiment and as made, used and sold by defendant as aforesaid are embodied in one and the same unitary structure and device; that the defendant intends and is threatening to continue to make such infringing devices and apparatus which embody the said inventions or discoveries of the plaintiff Christensen or either of them, in large quantities."

and substitute therefor the following:

" * * * that the inventions and discoveries claimed in and covered by the plaintiff Christensen's said Patents No. 635,280 and 680,842, are capable of embodiment and as made, used and sold by defendants as aforesaid are in some instances embodied in one and the same unitary structure and device; that the defendant intends and is threatening to continue to make said infringing devices and apparatus which embody the said inventions or dis-

coveries, or either of them, of the plaintiff Christensen, in large quantities. * * *

Third. At the end of the ninth paragraph on page 12, insert:

Ninth (a).

That heretofore, on or about the 21st day of March, 1904, the said Niels A. Christensen, being then the true, original and first inventor or discoverer of a certain new and useful improvement in compressor valves not known or used by others in this country, and not patented or described in any printed publication in this or any foreign country before his invention or discovery thereof, and not more than two years prior to his hereinafter mentioned application for a patent therefor and not in public use or on sale in this country for more than two years prior to his said application, and not having been abandoned by him, and no application for foreign patents for said invention or discovery having been filed more than twelve months prior to the filing of the said application in this country, duly made application to the Commissioner of Patents of the United States for letters patent in accordance with the then existing Acts of Congress in that behalf, and having duly complied in all respects with the conditions and requirements of said Acts of Congress, thereupon, on the 9th day of March, 1909, Letters Patent of the United States, signed, sealed and delivered in due form of law for the said invention or discovery were issued to him and numbered 914,699, by virtue of which there was granted and secured to the said Christensen, his heirs or assigns, or intended so to be, for a term of seventeen years after the date of said letters patent, the full and exclusive right of making and using and vending to others to be used, the said improvements set forth in said letters patent, as by said letters patent or a duly certified copy thereof here in court to be produced will more fully and at large appear.

Ninth (b).

That, therefore, on or about the 8th day of May, 1901, the said Niels A. Christensen, being then the true, original and first inventor or discoverer of a certain new and useful improvement in electric machines not known or used by others in this country, and not patented or described in any printed publication in this or any foreign country before his invention or discovery thereof, and not more than two years prior to his hereinafter mentioned application for a patent therefor, and not in public use or on sale in this country for more than two years prior to his said application and not having been abandoned by him and in application for foreign patents for said invention or discovery having been filed more than twelve months prior to the filing of the said application in this country, duly made application to the Commissioner of Patents of the United States for letters patent in accordance with the then existing Acts of Congress in that behalf, and having

duly complied in all respects with the conditions and requirements of said Acts of Congress, thereupon, on the 8th day of March, 1904, Letters Patent of the United States, signed, sealed and delivered in due form of law for the said invention or discovery were issued to him and numbered 753,954, by virtue of which there was granted and secured to the said Christensen, his heirs or assigns, or intended so to be, for a term of seventeen years after the date of said letters patent, the full and exclusive right of making and using and vending to others to be used, the said improvements set forth in said letters patent, as by said letters patent or a duly certified copy thereof here in court to be produced will more fully and at large appear.

Ninth (c).

That by virtue of the premises the said Christensen became, ever since has been, and now is the sole and exclusive owner of each of said letters patent and of the inventions and improvements described herein, and of all the rights and privileges granted
53 and secured or intended to be granted and secured thereby, subject to the aforesaid license granted to the Allis-Chalmers Company; and that since he became the owner of said letters patent as aforesaid, both he and his licensee have invested and expended large sums of money and have been put to great trouble in and about said inventions, and for the purpose of carrying on the business of manufacturing and selling machines containing the said inventions or either of them, and making the same profitable to each of the plaintiffs and useful to the public, and that said inventions have been and are of great benefit and advantage, and that a large number of machines embodying one or both of said inventions were made and sold by plaintiffs to great advantage to themselves and to the public, and that the public, ever since the exclusive grant to the plaintiff Christensen, has had due notice that said compressor valves and said electric machines were each made under its respective grant or monopoly aforesaid and they have been and are marked by fixing thereon the word "patented," together with the day and year of the issuance of the said patent or patents thereon; and that the public generally have acknowledged and acquiesced in the aforesaid rights of plaintiffs; and the plaintiffs are informed and believed and allege the fact to be, that the defendant has received and is now receiving large gains, advantages and profits from said inventions and each of them, but to what extent and how much exactly the plaintiffs do not know and pray a discovery thereof.

Ninth (d).

Plaintiffs further allege that defendant has well known all the facts hereinbefore set forth, but nevertheless, contriving to injure
54 the plaintiffs and each of them, and to deprive them of the profits, benefits and advantages which might and otherwise would have accrued to the plaintiffs from the said exclusive grants and monopolies, the defendant after March 9, 1909, and

within six years prior to the institution of this suit, and within the district within which this suit is brought, without the license of plaintiffs or either of them, against the plaintiffs' will and the will of each of them, and in violation of the rights and estate of each of them, in and to said grant and monopoly of said Patent No. 914,699, unlawfully and wrongfully made, used and sold, and ever since has continued and still continues unlawfully and wrongfully to make, use and sell devices or apparatus in large quantities and on an extensive scale which embody the invention or discovery claimed in and covered by the plaintiff Christensen's said Letters Patent No. 914,699, and the exclusive right to make, use and sell which is by law vested in the plaintiffs aforesaid, and that the defendant after March 8, 1904, and within six years prior to the institution of this suit, and within the district within which this suit is brought, without the license of plaintiffs or either of them, against the plaintiffs' will and the will of each of them, and in violation of the rights and estate of each of them in and to said grant and monopoly of said Patent No. 753,954, unlawfully and wrongfully made, used and sold, and ever since has continued and still continues unlawfully and wrongfully to make, use and sell devices or apparatus in large quantities and on an extensive scale which embody the invention or discovery claimed in and covered by the plaintiff Christensen's said Letters Patent No. 753,954, and the exclusive right to make, use and **sell which is by law vested in the plaintiffs aforesaid**; that the inventions and discoveries claimed in and covered by the plaintiff

Christensen's said Patent No. 914,699 and as made, used
55 and sold by defendant as aforesaid, are in some instances embodied in the same unitary structure with the combined pump and motor structure of the plaintiff's hereinbefore mentioned Patent No. 635,280; and that the inventions and discoveries claimed in and covered by the plaintiff Christensen's said Patent No. 753,954 as made, used and sold by defendant as aforesaid, are in some instances embodied in the same unitary structure with valves of said Patent No. 680,842 and in some instances with valves of said Patent No. 914,699 and also in some instances with the invention of plaintiff's hereinbefore mentioned Patent No. 635,280; that the defendant intends and is threatening to continue to make said infringing devices and apparatus which embody the said inventions or discoveries of each of the aforesaid patents, in large quantities, and is fully prepared so to do, and to supply the market therewith and to sell and vend the same; that the defendant has, ever since the commencement of this said action, as well as prior thereto, refused, and still refuses to pay to the plaintiffs or either of them any of the profits which have been made or which may be made by such unlawful and wrongful manufacture, use and sale, or to desist from the further infringement of said patents or any of them, all of which acts are in violation and defiance of the rights acquired by and secured to the plaintiffs aforesaid, and to their great and irreparable loss and injury, by which they have been and still are being deprived of great gains and profits which they might and otherwise would have obtained and which have been received and enjoyed, and are still being

received and enjoyed by the defendant by and through its aforesaid unlawful and wrongful acts and doings.

Defendant hereby acknowledges receipt of a copy of the foregoing amendment, and consents to the entry of an order of court permitting the bill of complaint to be amended as hereinbefore set forth, and is hereby agreed that defendant shall have until June 1st to answer the bill as thus amended.

THOMAS B. KERR,
Of Counsel for Defendant.
WILLIAM R. RUMMLER,
Of Counsel for Plaintiffs.

Dated May 15, 1916.

Endorsed.

And now, to wit, May 25, 1916, the within amendment to the bill of complaint presented in open court and it appearing that counsel for defendant consents thereto, it is ordered filed, and that defendant shall have until June 1 to answer the bill as thus amended.

PER CURIAM.

In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 621.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Answer to Amendment to the Bill of Complaint.

12. As to the amendment to the ninth paragraph of the bill of complaint defendant repeats the denial of infringement and alleged threat of infringement contained in paragraph 2 of its original answer.

13. Defendant admits the granting to the plaintiff Christensen of Letters Patent No. 914,699 on March 9, 1909, and Letters Patent No. 753,954 on March 8, 1904; but defendant is without knowledge of the alleged license to the Allis-Chalmers Company or whether the plaintiff Christensen is the owner of said patents, or whether the machines alleged to be manufactured and sold by plaintiffs under the said patents were marked "patented" in accordance with section 4900 of the Revised Statutes, and denies that it was ever notified by the plaintiffs of its alleged infringement of either of the said patents as required by the statute as a basis of recovery under said section.

14. Defendant avers that Patent No. 753,954, is void for the reason that the patentee was not the original, first and sole inventor or discoverer of the thing patented therein, or any material and substantial part thereof, but that the same was in public use by the following persons at the following places:

By the Standard Air Brake Company of New York, at New York and at other places.

By the Third Avenue Railroad Company of New York, N. Y., at New York, N. Y.

And such use was known to the following persons:

E. J. Wessels, residing at New York, N. Y.

H. P. Merriam, residing at New York, N. Y.

G. E. Baker, residing at New York, N. Y.

E. H. Dawson, residing at New York, N. Y.

J. R. Ellicott, residing at New York, N. Y.

J. F. Ames, residing at New York, N. Y.

R. A. Jencks, residing at New York, N. Y.

Wm. N. Austin, residing at East Pittsburgh, Pa.

By the General Electric Company of Schenectady, N. Y., and Lynn, Mass., at Schenectady and Lynn aforesaid, and on the
58 - Nantasket Beach Branch of the New York, New Haven & Hartford R. R. at Boston, Mass., and on the Lake Street Elevated R. R. at Chicago, Ill., and at other places in the United States.

And such use was known to the following persons:

W. B. Potter, residing at Schenectady, N. Y.

E. D. Priest, residing at Schenectady, N. Y.

C. C. Pierce, residing at Boston, Mass.

Samuel H. Libbey, residing at Bloomfield, N. J.

R. C. Augur, residing at Mahwah, N. J.

C. A. Rice, residing at New York, N. Y.

J. N. Bulkley, residing at New York, N. Y.

Merritt Electric Air Brake Company of New York, N. Y., at New York, N. Y. and

By the Coney Island & Brooklyn Railway at Brooklyn, N. Y., and at other places.

And such use was known to the following persons:

Frank W. Merritt, residing at Duluth, Minn.

M. P. Wilkins, residing at New York, N. Y.

S. W. Hough, residing at Brooklyn, N. Y.

J. W. Killeen, residing at Hartwick, N. Y.

Westinghouse Air Brake Company of Pittsburgh, Pa., at Pittsburgh and at other places.

And such use was known to the following persons:

H. H. Westinghouse, residing at New York, N. Y.

E. M. Herr, residing at Pittsburgh, Pa.

A. England, residing at Pittsburgh, Pa.

P. Lobey, residing at Wilmerding, Pa.

A. Johnson, residing at Los Angeles, Cal.

59 15. Defendant avers that Patent No. 753,954 is void, because the alleged invention claimed therein was patented

prior to the patentee's supposed invention or discovery thereof in the following United States patents:

- No. 313,007, February 24, 1885, M. N. Lynn.
 - No. 443,020, December 16, 1890, R. G. Ward.
 - No. 579,526, March 23, 1897, G. Westinghouse.
 - No. 582,233, May 11, 1897, Rites.
 - No. 593,571, November 16, 1897, T. J. Fay.
 - No. 593,718, November 16, 1897, T. J. Fay.
 - No. 597,532, January 18, 1898, W. F. Singer.
 - No. 598,814, February 8, 1898, M. Reid.
 - No. 635,280, October 17, 1899, N. A. Christensen.
 - No. 644,852, March 6, 1900, C. Eickemeyer.
- And in the following British patent:
- No. 20,216 of 1900, to Frederic De Mare.

16. Defendant avers that said Patent No. 753,954 is void because the alleged invention claimed therein was described prior to the patentee's supposed invention or discovery thereof in the following printed publications:

- Transactions of the Society of Naval Architects and Marine Engineers, Vol. VII, 1899, pp. 79 and 80, and plates 9 and 10.
- American Machinist, Vol. XXI, 1898, pp. 38222, May 26, 1898, "A Portable Electrically Driven Air Compressor."
- Electrical Review, Vol. XXXVII, pp. 292-293, September 19, 1900, "A New Electric Air-Brake System."
- Street Railway Journal, Vol. XV, pp. 257-258, April, 1899, "Air Brakes With Motor Compressor for New York."
- 60 Engineering News, Vol. XLII, pp. 398 and 399, December 21, 1899, "A Small Motor-Driven Air Compressor."
- Street Railway Review, pp. 652-653, October 15, 1896, "Latest in Air Brakes."
- Electrical Review, Vol. XXXI, p. 186, October 20, 1897, "Modern Compressors for Air-Braking."
- Street Railway Journal, Vol. XIII, p. 50, January, 1897, "New Standard Air Compressor."
- Electrical Engineer, Vol. XXI, pp. 474-475, May 6, 1896, "The 'Standard' Air Brake Apparatus."
- Western Electrician, Vol. XXVI, pp. 419-420, June 30, 1900.

17. Defendant avers that Patent 753,954, if construed to cover defendant's machines, is void, because the alleged invention claimed therein was invented by H. H. Westinghouse and E. M. Herr prior to the date of said Christensen's alleged invention thereof, and was patented to said Westinghouse and Herr in United States Patent No. 761,735, applied for June 6, 1900, and granted June 7, 1904.

18. Defendant avers that the said Patent 753,954 is void for the reason that the thing claimed therein was not patentable in that it did not involve the quality of invention in view of the prior state of the art as illustrated in prior uses, patents and publications set up in previous paragraphs of the answer and of this amendment to the answer, and the well-known and common practices and structures embodied in the construction of steam and electrical motor

generator and compressor sets, and the common practices and usages in the machinery arts.

61 19. Defendant avers that Patent No. 914,699 is void because the alleged invention claimed therein was patented prior to the patentee's supposed invention or discovery thereof in the following United States patents:

- No. 116,608, July 4, 1871, Lungen.
- No. 141,454, August 5, 1873, Naylor.
- No. 261,019, July 11, 1882, Meyrick and Melcher.
- No. 268,347, November 28, 1882, Wood and Richmond.
- No. 283,955, August 28, 1883, Bennett.
- No. 287,005, October 23, 1883, Cullingworth.
- No. 290,911, December 25, 1883, Mixer.
- No. 309,991, December 30, 1884, Steinberger.
- No. 315,475, April 14, 1885, Burke.
- No. 340,222 April 20, 1886, Leneauches.
- No. 461,779, October 20, 1891, Westinghouse and Bailey.
- No. 487,064, November 29, 1892, Clayton.
- No. 515,282, February 20, 1894, Brotherhood.
- No. 516,532, March 13, 1894, Hill.
- No. 552,926, January 14, 1896, Reynolds.
- No. 554,604, February 11, 1896, Morgan.
- No. 546,591, September 17, 1895, Hunt.
- No. 579,775, March 30, 1897, Sergeant.
- No. 591,008, October 5, 1897, Reynolds.
- No. 587,450, August 3, 1897, Olson.
- No. 680,842, August 20, 1901, N. A. Christensen.
- No. 681,921, September 3, 1901, Lewis.
- No. 687,335, November 26, 1901, Reynolds.
- No. 713,687, November 18, 1902, Robinson.
- No. 717,029, December 30, 1902, Reynolds.
- No. 719,142, January 27, 1903, Reynolds and Robinson.
- 62 No. 754,162, March 8, 1904, Reynolds.
- No. 761,735, June 7, 1904, Westinghouse and Herr.

20. Defendant avers that said Patent 914,699 is void because the alleged invention claimed therein was described prior to the patentee's supposed invention or discovery thereof in the following foreign patents:

- British Patent 6727 of 1887, Meldam.
- German Patent 68,304 of April, 1893, Belleville Publication Industrielle, plate 22, Vol. 26, also Vol. 31, Fig. 4, plate 6.

21. Defendant avers that the said Patent No. 914,699 is void in that the thing claimed therein was not patentable in that it did not involve the quality of invention in view of the prior state of the art as illustrated in the prior uses, patents and publications set up in previous paragraphs of the answer, and this amendment to the answer and in the common practices of the art to which it belongs and closely related arts.

22. Defendant further answering says, that for more than ten years last past it has continuously and extensively manufactured and sold various forms of combined pumps and motor embodying suction valves such as it now uses and the principles of construction which are now claimed to be an infringement of the patents set up in the amendment to the bill; that such manufacture and sale has been open and notorious and that it has built up an extensive business in the same throughout the United States; that plaintiffs have had full knowledge of such open and extensive manufacture and sale, but have asserted no adverse rights under the patents set up in the amendment to the bill, Nos. 914,669 and 753,954, with respect to such manufacture and sale by the defendant until
63 after the filing of the original bill in this suit; and that plaintiffs are now estopped by their long acquiescence in the manufacture and sale from asserting that the same is an infringement of the patents in suit, and have been guilty of such laches as excludes them from any rights in equity against this defendant thereunder.

Defendant, therefore, submits that the plaintiffs have no ground of action or right to any relief against this defendant under its amendment to the bill in this cause, and prays to be hence dismissed with its costs.

WESTINGHOUSE TRACTION BRAKE COMPANY,
By HENRY H. WESTINGHOUSE,
President.

JAMES K. BAKEWELL,
Solicitor for Defendant.
THOMAS B. KERR,
PAUL SYNNEVEDT,
E. A. WRIGHT,
Counsel for Defendant.

STATE OF NEW YORK,
County of New York, City of New York, ss:

On this 29th day of May, 1916, before me appeared H. H. Westinghouse, who, being duly sworn, deposes and says that he is the president of the Westinghouse Traction Brake Company, the defendant herein; that he has read the foregoing answer and knows the contents thereof and that the same is true to the best of his knowledge and belief.

M. LAWSON DYER,
Notary Public, New York County, N. Y.

64 United States District Court, Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN et al., Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Motion to Amend Bill.

And now, to wit, January —, 1917, comes the defendant and moves the Court that the answer in this case may be amended by adding to the list of United States patents set up as anticipations of Patent No. 680,842 in suit, the following:

No. 340,222, Lancauches, dated April 20, 1886.

Also by adding to the list of United States patents set up in paragraph 19 as anticipations of Patent No. 914,699 in suit, the following, to wit:

No. 356,597, January 25, 1887, Mitchell.

Also by adding to the said answer the following paragraph, to wit:

23. Defendant further answering says that the said Patent No. 914,699 in suit is void for the reason that it was on sale and put into public use in this country by the said Christensen and the Christensen Engineering Company for more than two years before his application for patent, and it is so ordered.

United States Judge.

Plaintiffs consent to the foregoing amendment and order.

WILLIAM R. RUMMLER,
Of Counsel for Plaintiffs.

January 5, 1917.

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Stipulation.

It is hereby stipulated by and between the parties to the above entitled suit, that plaintiffs' time for taking depositions under rule 7 be extended to September 15, 1916.

WILLIAM R. RUMMLER,
Of Counsel for Plaintiffs.
THOMAS B. KERR,
Of Counsel for Defendant.

July 24, 1916.

In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Appearance.

To the Clerk of said Court:

Please enter my appearance as counsel for plaintiffs.

WILLIAM R. RUMMLER,
1212 Tribune Building, Chicago, Ill.

66 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN et al., Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Stipulation.

It is hereby stipulated that plaintiffs' time for taking depositions may be extended to November 1, 1916.

WILLIAM R. RUMMLER,
Of Counsel for Plaintiffs,
THOMAS B. KERR,
R.,
Of Counsel for Defendant.

September 12, 1916.

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Amendment to Answer and Defendant's Counter-Claim.

And now, to wit, on motion of James K. Bakewell, Esq., solicitor for defendant, leave is granted to the defendant to amend
67 its answer by setting up a counter claim of infringement as follows, to wit:

23. The defendant, by way of counterclaim, avers that it is the legal owner of Letters Patent of the United States No. 861,488, granted on July 30, 1907, to William L. Waters, assignor to the National Brake and Electric Company, for a new and useful improvement in motor compressors; that, as defendant is informed and believes, many of the machines which the bill of complaint and the amendment thereto state have been made and sold by the plaintiffs, embody the invention set forth in said Patent No. 861,488, and particularly in claims 17 and 18 thereof, and infringe upon defendant's rights thereunder; that defendant has been damaged and plaintiffs have made large profits by such infringement; and the

plaintiffs are continuing to make and sell such machines in further infringement of defendant's rights under the said patent.

Defendant, therefore, prays for a decree against plaintiffs, granting an injunction against further infringement, an account of damages and profits by reason of their said infringement, and such other relief as the case may require.

United States Judge.

PITTSBURGH, July 27, 1916.

Messrs. Reed, Smith, Shaw & Beal:

Please take notice that I shall present the foregoing motion before Judge Thompson on Wednesday, August 9, at 10 o'clock A. M.

JAMES K. BAKEWELL,

Solicitor for Defendant.

Service acknowledged this 27th day of July, 1916.

REED, SMITH, SHAW & BEAL,

Solicitors for Complainants.

District Court of the United States, Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit of H. H. Westinghouse.

STATE OF NEW YORK,

County of Seneca, ss:

Before me, the undersigned authority, personally appeared H. H. Westinghouse, who, being duly sworn, deposes and says that he is the president of the Westinghouse Traction Brake Company, the defendant above; that the defendant was openly and extensively engaged for more than ten years in the manufacture of the motor-driven air compressors which the plaintiffs now claim to be infringements of the patents set up in this suit, without notice or claim on the part of the plaintiffs that the said machines manufactured by it were infringements of any of the patents in suit. The present suit was brought on March 11, 1916, within ten days of the expiration of plaintiffs' patent 635,280, and it was not until after the answer was filed and the defendant was engaged in taking depositions de bene esse, to wit, about May 15, 1916, that plaintiffs came forward with a further claim of infringement against defendant

under two other letters patent, to wit, Nos. 753,954 and 914,696
Thereupon defendant consented to the amendment of the
69 bill, including said additional patents, said amendment be-
ing filed May 15, 1916, and on June 1st following filed in
answer to said amended bill, defendant being advised that, under
the new rule in equity, plaintiffs might join as many causes of ac-
tion as they might have against defendant. Since that date the de-
fendant has taken de bene esse a large amount of testimony of wit-
nesses residing beyond the jurisdiction of the court, bearing upon
said Patents 635,280 and 753,954, and has been diligent through-
out its counsel and experts in looking up matters of defense preparatory
to the cause. In this connection deponent was informed by coun-
sel, on or about the 1st instant, that some of the machines manu-
factured and sold by the plaintiffs, as stated in the bill of complaint
and the amendment thereto, were covered by some of the claims of
Patent 861,488, granted to William L. Walters, assignor to the
National Brake and Electric Company on July 30, 1907, for im-
provements in motor compressors, and that under the equity rule
any claim for such infringement should be set up as a counter-
claim in the present suit. Thereupon deponent instructed defend-
ant's counsel to take proper steps to assert a counter-claim against
the plaintiffs for the infringement of said Waters patent, and I am
advised that this has been done by the preparation of an additional
paragraph to the amended answer and of motion papers for leave
to file the same.

Deponent further says that the matter of infringement of the
Waters patent by the plaintiffs was not known to him, nor, as he
is informed and believes, to any other officer of the defendant com-
pany, until it was brought to his attention and that of the other
officers of the company by counsel, and that he is informed and
believes that the discovery of the fact was due to the investigations
of counsel made in preparation for the trial of the cause, and that
when the fact was brought to his attention he instructed counsel
immediately to take such action in the matter as in their
70 opinion was necessary to vindicate the rights of the de-
fendant therein.

H. H. WESTINGHOUSE.

Subscribed and sworn to before me this 26th day of July, 1916.

LEWIS CHURCH.

Notary Public.

In the District Court of the United States, Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Opinion.

THOMSON, J.:

This is a motion on the part of defendant for leave to amend its answer by setting up a counter-claim of infringement. Suit is brought for infringement of certain patents, one for an improvement in combined pumps and motors, and the other for an improvement in valves for compressors. These patents are owned by the plaintiff

Christensen, under which the plaintiff Allis-Chalmers Manufacturing Company has an exclusive license. The defendant now asks leave to bring into the suit, by way of counter-claim, a charge of infringement against the plaintiffs of its patent or a new and useful improvement in motor compressors.

Defendant's right to counter-claim for infringement of its patent depends on the proper interpretation of rule 30 of the General Rules in Equity, which reads as follows:

"The answer must state in short and simple form any counter-claim arising out of the transaction which is the subject-matter of the suit, and may, without cross-bill set out any set-off or counter-claim against the plaintiff which might be the subject of an independent suit in equity against him, and such set-off or counter-claim so set up shall have the same effect as a cross-suit, so as to enable the court to pronounce a final judgment in the same suit both on the original and cross claims."

The wording of this rule has resulted in conflicting opinions as to its true meaning. Some Judges have given to the rule a very broad interpretation, holding that the first part of the rule is mandatory and the second part permissive; that the words "counter-claim arising out of the transaction which is the subject-matter of the suit" cover broadly all matters which theretofore could have been pleaded by cross-bill; and that the word "counter-claim" as used in the second or permissive part of the rule includes all cross-claims upon which the defendant might sue the plaintiff in equity even if having no connection whatever with the plaintiff's cause of action. This broad interpretation of the rule is maintained by Judge Chatfield in *Marconi Wireless Telegraph Co. v. National Electric Signalling Co.*, 206 Fed. 295; by Judge Lacombe in *Vacuum Cleaner Co. v. American Rotary Valve Co.*, 208 Fed. 419; and by

72 Judge Rellstab in *Electric Boat Co. v. Lake Torpedo Boat Co.*, 215 Fed. 377. On the other hand, it has been held that the word "counter-claim" in the paragraph "may, without cross-bill set out any set-off or counter-claim against the plaintiff which might be the subject of an independent suit in equity against him," applies only to a counter-claim proper; that is, such as could properly be set up by cross-bill, the subject-matter of which grows out of and the relief sought depends upon the subject-matter of the plaintiff's bill. This view is held by Judge Dodge in *Terry Steam Turbine Co. v. Sturtevant Co.*, 204 Fed. 103, and in *Klauder-Weldon Dyeing Machine Co. v. Giles*, 212 Fed. 452; by Judge Geiger in *Adamson v. Shaler*, 208 Fed. 566, and in *Atlas Underwear Co. v. Cooper Underwear Co.*, 210 Fed. 347; by Judge Carpenter in *Kawneer Mfg. Co. v. Hester Mfg. Co.*, Equity No. 130, Northern Dist. of Illinois, and by Judge Thomas in the District of Connecticut in *Sydney v. Mugford Printing & Engraving Co.*, 214 Fed. 841. The reasoning of Judge Dodge and those with him who have adopted the more restricted application of the rule, appears to me as the more logical. It seems to be reasonably clear that the purpose of the rule is to require the setting up in the answer of all matters which could formerly be brought in by cross-bill only. As there is a clearly recognized distinction between a set-off and a counter-claim in equity, it must be assumed that when the rule used both words, they were used not interchangeably or as synonymous, but with their true distinction in view. A counter-claim is one which the defendants might assert against the plaintiff in the same suit, the cross-bill being brought either to aid in the defense of the original suit or to obtain a complete determination of the controversies between the original complainant and the cross-complainant over the subject-matter of the original bill. And

73 if this is not its purpose, it is not a cross-bill. The term "counter-claim" or "cross-bill" in equity having a definite legal meaning, it can hardly be supposed that the Court in drafting the rule used it in two different senses; the first in its ordinary and accepted signification, that is, a claim "arising out of the transaction which is the subject-matter of the suit"; the second, without any such limitation, thus practically effecting a very radical change in the law as to what could be pleaded by way of counter-claim. It is to be assumed that if such radical change were intended, it would have been expressly and plainly declared. I do not think the wording of the rule justifies this conclusion. Giving proper effect to the words "without cross-bill" and the words "shall have the same effect as a cross-bill," it seems reasonably clear that the answer was intended to perform the function of a cross-bill, making the cross-bill no longer necessary, the matter thus pleaded in the answer having the same effect as the cross-suit. This could not be true if the defendant is permitted in effect to file an original bill by way of counter-claim having no connection with the subject of the original bill.

There is also force in the position of Judge Geiger, that if the rule were intended to so enlarge the scope of equity procedure as to per-

mit the defendant to incorporate in his answer causes of action not related nor germane to the subject of the bill, then rule 31 should have the necessary provisions to enable the plaintiff to obtain such affirmative relief, as, were the defendant proceeding by original bill, the complainant could obtain, formerly by cross-bill, now by counter-claim. There is plainly no provision in rule 31 for such set-off or counter-claim on the part of the plaintiff, unless it is intended to be embraced in the word "reply." Certainly, this at least is very doubtful.

74 I am, therefore, of opinion that the words "and may, without cross-bill, set out any set-off or counter-claim against the plaintiff which might be the subject of an independent suit in equity against him," apply only to such counter-claims as arise out of the transaction which is the subject-matter of the suit. Nor do I think in the case at bar that the averment in the proposed counter-claim that "defendant is informed and believes, many of the machines which the bill of complaint and the amendment thereto state have been made and sold by the plaintiffs, embody the invention set forth in said Patent No. 861,488, and particularly in claims 17 and 18 thereof, and infringe upon defendant's rights thereunder," would entitle the defendant to assert the same against the plaintiff in a cross-bill. It does not go to the question of defendant's infringement of plaintiff's patents, nor do I conceive that it would be any answer to plaintiff's prayer for injunctive relief. If some portion of plaintiff's machine not covered by his patents infringes the patent of the defendant, that would form the basis of a separate and independent suit against him. It could only affect the incidental question of damages to which the plaintiff is entitled, his right of recovery being limited to the infringing, exclusive of the noninfringing, elements of the articles of defendant's manufacture and sale.

For the foregoing reasons, the defendant's motion is denied.

75 In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN et als., Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Stipulation.

1. That on December 30, 1896, the plaintiff Christensen made an application for a patent of the United States for a combined pump and motor; the said application contained two sheets of drawings; during the proceedings in the Patent Office one of these sheets of drawings was cancelled by the applicant; the application was allowed and the patent issued on March 21, 1899. As issued, the Patent No. 621,324 contained the said cancelled sheet of drawings;

on September 16, 1899, Christensen returned the said patent to the Commissioner of Patents, calling attention to the mistake, and demanded that a patent be issued in accordance with the record; thereupon an order was made by the Commissioner of Patents that the seal of said patent be broken and the same returned to the file, marked "Cancelled," and that a patent conforming to the record should be issued. Thereupon a new patent, No. 635,280, was issued to Christensen on October 17, 1899, without the cancelled sheet of drawings, for a full term of seventeen years from October 17, 1899, and was for the same invention as the Patent No. 621,324, issued on March 21, 1899; the remaining drawings, specification and claims being the same in both patents.

2. The following named catalogues and pamphlets were issued by the defendant, Westinghouse Traction Brake Company, on the respective dates specified, and that each of the illustrations on the respective pages thereof correctly represents certain structures manufactured and sold by defendant, Westinghouse Traction Brake Company, without the license or consent of either of the plaintiffs (unless the court finds that the plaintiffs acquiesced in the defendant's manufacture and sale of such machines) within the Western District of Pennsylvania and elsewhere in the United States, within the period of six years next before the filing of the bill of complaint herein, after the date of issuance of each of the patents sued upon, before the date of the respective catalogues in which said structures are illustrated as aforesaid; said catalogues, dates and pages of the illustrations respectively being as follows:

Westinghouse Instruction Pamphlet No. T5035, dated April, 1908.
Insert following page 28.

Marked Plaintiffs' Exhibit 10.

Westinghouse Instruction Pamphlet No. T5001, dated August, 1913, on pages 9 and 31.

Marked Plaintiffs' Exhibits 13 and 14.

Westinghouse Instruction Pamphlet No. T5002, dated August 1911, on pages 4 and 5.

Marked Plaintiffs' Exhibits 11 and 12.

Part catalog No. 3504-1, June, 1912.

Marked Plaintiffs' Exhibit No. 15.

Supplement No. 7, August, 1914.

Marked Plaintiffs' Exhibit 16.

4. The illustrations on the respective pages 46 and 47 of the publication of the Westinghouse Air Brake Company, entitled "Westinghouse Compressors, Special Publication No. 9012, dated November, 1912, marked Plaintiffs' Exhibits Nos. 8 and 9," correctly represent certain structures manufactured and sold by defendant Westinghouse Traction Brake Company without the license or consent of either of the plaintiffs (unless the court finds that the plaintiffs acquiesced in the defendant's manufacture and sale of such machines) within the Western District of Pennsylvania and elsewhere in the United States, within the period of six years

next before the filing of the bill of complaint herein, after the date of issuance of each of the patents sued upon, before the date of said catalogue publication.

(Recess until 10 o'clock tomorrow morning, October 27.)

United States District Court, Western District of Pennsylvania,
May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,
v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

To the Clerk of Court:

Permission of the Court having been obtained, please continue
this case to May term, 1917.

JAMES K. BAKEWELL,
Solicitor for Defendant.

Pittsburgh, November 11, 1916.

78 In the District Court of the United States, Western
District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,
v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

On Patents Nos. 635,280, 680,842, 914,699, and 753,954.

Stipulation.

It is hereby stipulated by and between the respective parties that
each party shall furnish to the other a copy of all depositions taken
in its behalf, without making any charge therefor before the de-
cision of the case, but the cost of such copies, as well as of the origi-
nal, shall be taxed as part of the costs of the suit, and that an order of
court may be entered in accordance herewith.

WILLIAM R. RUMMLER,
Of Counsel for Plaintiffs.
EDWARD S. WRIGHT,
Of Counsel for Defendant.

December 12, 1916.

WR/M.

Order of Court.

(Filed December 22, 1916.)

And now, to wit, December 22, 1916, the within stipulation as to the cost of copy of depositions presented in open court and ordered to be filed.

PER CURIAM.

79 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit of Niels A. Christensen.

UNITED STATES OF AMERICA,

Western District of Wisconsin, County of Milwaukee, ss:

Niels A. Christensen being first duly sworn on oath says that he is one of the plaintiffs in the above-entitled action; that his co-complainant has always refused and does now refuse to bear any part of the burden of the litigation, and the conduct of the litigation depends solely upon deponent's activities.

That he is advised by his counsel and verily believes the fact to be that his action against the defendant is meritorious and that in the proper prosecution of said action he should be so financed as to be enabled to defer expenses of material witnesses upon the trial and to obtain for hire, plus expenses, certain expert testimony whom, as he has been advised and verily believes, will be material witnesses, but that deponent is and for many months last past has been without sufficient funds to defray the expenses and fees of said material witnesses which as he is advised and believes are necessary to prosecute said action.

80 That deponent has for many months last past been making persistent and diligent efforts to secure funds to enable him to carry on the above-entitled suit by the execution of his personal obligation secured by an assignment pro tanto of his interest in a certain judgment against the National Brake and Electric Company, a subsidiary of the Westinghouse Traction Brake Company, the above-named defendant, reviewed and affirmed by the Circuit Court of Appeals in 229 Fed. 564, but he has been unable so to do.

Deponent respectfully states that in his opinion and in the opinion of his counsel he cannot, without endangering the prosecution of this action to a successful conclusion proceed to trial at this time.

That he has appealed to attorneys for defendant requesting a continuance for from four to eight weeks in the trial of the action above entitled, but that defendant refused to consent.

Deponent makes this affidavit in support of an application to be submitted to this Honorable Court respectfully praying a continuance of the trial of this action for a period of six weeks or thereabouts.

That he makes this affidavit in good faith and respectfully prays that the application above referred to, be granted by the Court.
 NIELS A. CHRISTENSEN.

Subscribed and sworn before me this 18th day of January, 1917.
 GEORGE G. GOETZ,

Notary Public, Milwaukee County, Wisconsin.

81 In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit of William R. Rummeler.

UNITED STATES OF AMERICA,
 Northern District of Illinois, County of Cook, ss:

William R. Rummeler, being first duly sworn, on oath says as follows:

I am one of the attorneys for the plaintiffs in the above-entitled action, and have charge of conducting plaintiffs' case with respect to the issues of validity of the patents involved and their alleged infringement. There are three patents involved in said suit, two of them being for combined pumps and motors, and one for a compressor valve. A large amount of testimony has been taken on behalf of each of the parties. This suit was begun in March of last year, and during all of the time since then there has also been pending a suit of the said plaintiffs against the National Brake and Electric Company of Milwaukee, Wisconsin, in which said suit an interlocutory decree was entered finding infringement of one of the combined

82 pump and motor patents involved in the above-entitled suit, and ordering an accounting to ascertain the amount of profits realized by the said National Brake and Electric Company by reason of said infringement and the amount of damages sustained by the plaintiffs.

The depositions in the above-entitled case show that the stock of the National Brake & Electric Company is owned and controlled by the same persons or concern as is the stock of the defendant in the

above-entitled case, or that both companies are subsidiaries of or controlled by the Westinghouse Air Brake Company. In connection with said accounting proceedings it has been necessary for me to frequently leave my office in Chicago and attend upon said proceedings which were held in Milwaukee, under the orders of the District Court of the United States, Eastern District of Wisconsin. I attended such proceedings at Milwaukee on the following named dates: December 1, 6, 7, 8, 9 and 26, 1916, and on January 10, 13, 15 and 16, 1917. A considerable amount of preparation was necessary in these proceedings, which consumed additional time and attention both at Milwaukee and Chicago. Said accounting proceedings involve the question of infringement of a large number of different constructions made by the defendant, that is, about fourteen different constructions, eleven of which are claimed by the defendant not to be within the terms of the patent in suit and in regard to which a controversy is pending on the accounting. Considerable testimony was taken by each of the parties in said accounting proceedings. The proceedings have been vigorously contested, and the arguments as to such infringement were not concluded until January 16, 1917.

Although defendant's counsel, Mr. Thomas B. Kerr, notified me by letter dated December 27, that he would expect to bring this case on for trial in the latter part of January, and on January 3rd
83 telegraphed me that it would probably be reached for trial on January 22nd, I did not, prior to January 17th, receive any notice that an application to have the case set for trial had been made to the court, or would be made at any fixed time when I could be heard in opposition thereto. Immediately upon the conclusion of my argument in the accounting proceedings on January 16th, I telegraphed Mr. Kerr that I would not be ready for trial on January 22nd, and asked him to agree to a postponement for six weeks. It has been impossible for me to prepare for the trial of the above-entitled case within the time which I have had at my disposal for such preparation. It will be impossible for me to properly prepare for the trial of said case by January 23rd, when I am advised it is expected to bring this case on for trial, and I believe that it will require at least six weeks from this date for me to properly prepare for such trial in addition to attending to my other necessary duties.

In view of the numerous questions involved in this suit, and the large amount of testimony which has already been taken, I am informed and believe that a great amount of the court's time will be saved both on the trial of the case in open court and on the arguments thereof if the trial be postponed for at least six weeks from this date.

WILLIAM R. RUMMLER.

Subscribed and sworn to before me this 18th day of January, 1917.

[SEAL.]

MARY R. HOPKINS,

Notary Public.

My commission expires May 23, 1918.

84 In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit of Joseph B. Cotton.

STATE OF NEW YORK,
County of New York, ss:

Joseph B. Cotton, being first duly sworn, deposes and says as follows:

I am a practicing attorney and counsellor at law, and have been practicing in various State and Federal courts, including the Supreme Court of the United States, for upwards of twenty-five years. I reside in Duluth, Minnesota, and have an office in the city of New York, State of New York, as well.

I am one of the attorneys and of counsel for the plaintiffs in the above-entitled action. For the last two months I have been literally swamped with work in the city of New York, and my business engagements, which I am unable to postpone, are such that it is not possible for me to be present in Pittsburgh, Pennsylvania, upon the hearing of a motion by the plaintiffs for a continuance of said cause, and said engagements over which I do not have control
85 are such that it is absolutely impossible for me to attend and take part in the trial of this cause if the same is to commence on January 23, 1917.

Mr. William R. Rummeler, of Chicago, Illinois, who is a patent lawyer of many years' experience, has charge of the patent end of the plaintiffs' case, and I am advised and believe that he has been so engaged in court work in Illinois and elsewhere as to be unable to make preparation for the trial of this case if the same is to commence January 23, 1917.

I am advised that the notice of trial herein was very short, and I do not feel that the plaintiffs can with safety or with justice to their cause proceed to trial on the date hereinbefore mentioned.

This case has been pending only a short time in this Honorable Court, and I believe that no rights or interests of the defendant will be in any way prejudiced or affected by a reasonable postponement of the trial in order that thorough preparation may be had and the actual trial expedited thereby. I make this affidavit in support of the plaintiffs' application for continuance, and pray that such continuance may be granted.

JOSEPH COTTON.

Subscribed and sworn to before me this nineteenth day of January, 1917.

[SEAL.]

ALFRED J. PRICE,
Notary Public, N. Y. Co., No. 140,
N. Y. Co. Register's No. 8114.

Commission expires March 30, 1918.

86 In the District Court of the United States, Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Motion to Dismiss Bill.

To the Honorable Judge of said Court:

Your petitioners, the plaintiffs herein, having exhibited their bill in this honorable court against the above-named defendant, who has appeared and put in his answer thereto, are, since the filing of the same, advised to dismiss the said bill. Wherefore, they pray that the said bill may stand dismissed out of this court without prejudice. These plaintiffs present herewith a stipulation duly executed by their duly authorized attorneys, agreeing that all depositions hitherto taken in this cause may be used in any subsequent or other pending litigation between the above plaintiffs and defendant.

RUMMLER & RUMMLER,
REED, SMITH, SHAW & BEAL,
LINES, SPOONER, ELLIS & QUARLES,
Solicitors for Plaintiffs.

JOHN G. FRAZER,
WM. R. RUMMLER,
Of Counsel.

87 In the District Court of the United States, Western District
of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Stipulation.

It is hereby stipulated by and between the parties to the above en-
titled suit that all depositions hitherto taken in this cause may be
used in any other subsequent or pending litigation between the above
named plaintiffs and defendant.

February 9, 1917.

WM. R. RUMMLER,
Of Counsel for Plaintiffs.

Of Counsel for Defendant.

88 In the District Court of the United States for the Eastern
District of Pennsylvania.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit of Niels A. Christensen.

STATE OF WISCONSIN,
Milwaukee County, ss:

Niels A. Christensen, being first duly sworn on oath, deposes and
says that he is one of the plaintiffs in the above-entitled action and
owns the title to the patents set forth in the complaint herein; that
he has been unable to raise funds for the use in the prosecution of
these cases which he verily believes and which on advice of his coun-
sel he respectfully asserts are meritorious claims against the defend-
ant; that in the past several months he has made persistent efforts
to obtain financial assistance to the end that he might adduce testi-
mony adequate to substantiate the claims of his complaint and to
meet defensive tactics; that he has not been able to accumulate
funds for the purpose of taking testimony which his attorneys advise
him is necessary or to pay the travelling expenses and other fees
and expenses incident to the proper preparation of his case for trial;

that negotiations during the past six or eight weeks and longer have been under way, a successful conclusion of which might have enabled affiant to make the preparation referred to, but that such negotiations have failed; that affiant during this litigation and such work as has been done by way of appearing at the taking of testimony on the part of defendant and some testimony in his own behalf on the part of his attorneys has been unable to pay
80 and never has paid for the services of his attorneys any sum whatever owing to lack of funds as above set forth, that affiant sees no immediate prospect for obtaining money and has reached a point in this litigation where, as before stated, funds are necessary.

Affiant further alleges that he is making constantly new and further efforts to negotiate a loan; that he has a judgment on a patent (similar to one here involved) against the National Brake & Electric Company, a Wisconsin corporation (a subsidiary of the defendant Westinghouse Company, in that the Westinghouse Company owns the stock of the said National Brake & Electric Company) and obtained a decree of infringement in said action, but said action has been for a long period of time on accounting before a Master appointed by the United States District Court for the Eastern District of Wisconsin; that there has been long and continued delays upon the part of the defendant therein and constant questions arising requiring further delays, arguments et cetera; that the account thus far rendered, although incomplete, was started on the seventh day of March, 1916; and shows substantial sums due plaintiff, but he is and has been unable to realize on them and is advised that defendant therein is preparing to contest many points of law in said accounting, to take appeals which will consume considerable time as affiant is advised; that affiant is advised that defendant has been and is pressing the action above entitled for trial and is advised by his attorneys that he is not adequately or properly prepared to proceed to trial.

Affiant makes this affidavit in support of a motion for an order dismissing said above-entitled action without prejudice, it being proposed to file with said order so dismissing a stipulation to be presented with said motion agreeing that all testimony taken in the action above entitled shall upon a revival or in any other
90 action involving said matter be used in full force and effect notwithstanding the entry of this order, if this Honorable Court enters the same.

Affiant respectfully prays the Court that such an order may be entered so dismissing said case without prejudice.

NIELS A. CHRISTENSEN.

Subscribed and sworn to before me this 9th day of February, 1917.

[SEAL.]

LEO MANN,
Notary Public, Wisconsin.

My commission expires March 2, 1919.

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Answer of Defendant to Plaintiffs' Motion to Dismiss the Action.

Defendant respectfully shows that this suit was begun on March 11, 1916, upon two patents, No. 635,280, for combined pump and motor, which patent expired on March 21, 1916, and Patent No. 680,842, for compressor valves; that defendant's answer was filed on April 17, 1916; that the answer set up a large number of prior patents and prior uses against said Patent No. 635,280, involving the taking of testimony of a large number of witnesses more than one hundred miles from the place of trial. That thereupon defendant served notice of taking deposition de bene esse, under which, on May 9 to 19, and June 14 to June 23, it took the depositions of a number of witnesses and introduced a large amount of other evidence at New York City and at Schenectady, New York, some of these witnesses being brought from long distances. That thereafter the plaintiffs notified defendant that they wished to take some depositions de bene esse and stipulations were made giving and extending time for taking the same to and including November 1, 1916, during which time the plaintiffs took the testimony of ten witnesses at great length at Milwaukee, Wisconsin, and in for trial and was called at the call of the trial calendar in November and then continued until the December call and finally the date of trial was fixed for January 22, 1917. On January 19, 1917, the plaintiffs noticed a motion which was heard on January 20 for a postponement of the date of trial. This motion was argued on Saturday, January 20th, and the date of trial was postponed until February 13th.

The defendant, at great expense of money, time and labor, was prepared to proceed with the trial on January 22nd, having assembled the record and exhibits, including several large and heavy machines, at the court rooms for the trial, and procured the attendance of a number of witnesses from outside the jurisdiction, as well as witnesses within the same, at the court at that time.

On May 9th, at the beginning of the taking of defendant's depositions in New York, the plaintiff gave notice of an intention to amend the bill of complaint to include two other patents, namely, Nos. 753,954, for electric machine, and 914,966, for compressor valve, and in order to save the delay and expense of a motion for leave to amend, a stipulation was made permitting such amendment and providing for time for filing the answer thereto. The

amendment was filed on May 15, 1916, and the answer thereto on June 1, 1916.

During the investigation of the case, defendant was advised by counsel that plaintiffs' machine was an infringement of defendant's Waters Patent No. 861,488, dated July 30, 1907, for motor compressor, and thereupon made a motion for leave to amend its answer and set up such infringement as a counter-claim. This motion was argued before Judge Thomson, but was denied in an opinion filed October 2, 1916. These machines were claimed in the bill to have been made under said Patent No. 635,280, and were sold in competition with defendant's machines, which were alleged by the bill to be infringements of the said patent. Defendant's contention was that in the settlement of accounts between the parties, in case each sustained its action, the defendant's claim for profits and damages should be set off against any recovery that plaintiffs might make under their said patent.

Defendant shows that it began the manufacture and sale of the machines which plaintiffs claim infringe on said Patent No. 635,280 in 1900 and that such manufacture and sale was open and extensive and has continued until the present time; that except for a general written notice calling attention to said Patent No. 635,280 sent to defendant under date of December 12, 1906, no claim for infringement or protest on the part of plaintiffs against such manufacture and sale was made by the plaintiffs until about the 11th day of March, 1916, the day when the bill was filed in this suit and only ten days before the expiration of said patent. During this period

93 defendant manufactured and sold upwards of over 23,000 machines and sold them all over the United States, so that they are now in the hands of users, on railroads, contract work and manufacturing establishments, the number of users running into thousands, all of whom have been permitted to acquire their machines and to use them during that period without notice or protest from the plaintiffs.

Defendant further shows that the investigation into the prior state of the art and looking up cases of prior use and legal questions material to the defense of the action has been very extensive, and this, together with the taking of testimony and preparing the case for hearing at this time and arranging for the attendance of witnesses and counsel, has cost a large amount of money, as well as a great deal of time and attention on the part of defendant, the cost aggregating over eleven thousand dollars (\$11,000). It would be a great hardship to the defendant if the plaintiffs, after taking the soundings in the case and ascertaining the defendant's proofs, were now permitted to discontinue this action and be free to press a suit in some other jurisdiction away from defendant's home and home facilities for meeting the demands of the trial, or of bringing suit against some of its vendees and compelling the defendant to again prepare for trial. Defendant cannot be put back into the same position by any mere repayment for the cash outlay it has been compelled to make in preparing for the present trial. It anticipates examining a number of additional witnesses and is prepared to meet possible exigencies of the trial as it may develop by plaintiffs' testimony, and it has no

assurance that the witnesses will be alive when they may again be needed. This refers to testimony of witnesses to be taken or to be held for examination to meet possible contentions on the part of plaintiffs.

94 Defendant further shows that on March 13, 1916, plaintiffs brought a similar suit against defendant in Chicago, the bills in the two cases being identical, based upon the two Patents Nos. 635,280 and 680,842. That defendant filed an answer in said suit and since that date nothing has been done therein, but plaintiffs elected to try the Pittsburgh suit and have been proceeding diligently with regard to it. That the Chicago bill was not amended by including the other two patents, Nos. 753,954 and 914,966, as was the Pittsburgh suit. Defendant knows no sufficient reason why after the Pittsburgh suit has been brought to condition for trial and twice set for trial, plaintiffs should be permitted to abandon it and try the Chicago case. No order that the depositions taken in this case might be used in that case would be adequate to relieve the defendant from the injury such postponement of the trial and change of venue from its home district to a foreign district would impose upon it. The cost and inconvenience of such a course would be a great and unnecessary burden upon defendant and the trial in a foreign jurisdiction would put it to serious disadvantage.

_____,
Counsel for Defendant.

STATE OF PENNSYLVANIA,
County of Allegheny, ss:

Before me, the undersigned authority, personally appeared Arthur L. Humphrey, who being duly sworn according to law, deposes and says that he is the vice-president of the Westinghouse Traction Brake Company, the defendant; that he has read the foregoing
95 answer, and that the facts therein stated are true, to the best of his knowledge and belief.

ARTHUR L. HUMPHREY.

Sworn and subscribed before me this 11th day of February, 1917.

[SEAL.

W. L. McDANIEL,
Notary Public.

My commission expires January 21, 1919.

In the District Court of the United States for the Western District of
Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN et al., Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

*Motion of Defendant for Judgment Upon the Record as to Patents
Nos. 621,324, 635,280, and 680,842.*

Now comes the defendant, by its counsel, and moves the Court for
Judgment upon the pleadings and proofs already filed as to Patents
Nos. 635,280, 621,324 and 680,842.

96 This motion is based upon certain allegations of the bill
admitted in the answer with respect to the two patents on the
combined pump and motor and as to the bottle valve patent on the
showing of the defendant's construction in the exhibit machine and
in the various catalogues stipulated into the record which exhibits
are before the Court.

As to Patents Nos. 621,324 and 635,280, all the facts necessary to
judgment are already in the record and in the bill of complaint and
in admissions of the answer. Nothing is left except a judgment
upon the legal points involved.

As to Patent No. 680,842, the facts presented by the stipulation and
exhibits are adequate to permit a judgment upon the question of
infringement, it being perfectly clear, from a comparison of the
construction of the defendant's devices alleged to infringe Patent
No. 680,842 with the claims of that patent upon plaintiffs' showing
alone, that the construction of defendant's devices is essentially dif-
ferent, and that it is impossible to predicate infringement of said
patent upon the manufacture and sale of these devices. All that is
necessary is for the Court to compare the constructions alleged to
infringe with Patent No. 680,842, to see clearly that there can be
no infringement.

In case the Court feels constrained to grant plaintiffs' motion of
dismissal, defendant claims that, under the authorities, it is entitled
to have such decree of dismissal conditioned with an entry of a
decree in its favor on Patents Nos. 635,280, 621,324 and 680,842;
otherwise defendant claims that it is entitled to a final hearing on the
record as made by the plaintiffs on these three patents, or, in default
of plaintiffs' appearance, an inquest by the Court.

Defendant therefore moves for judgment upon Patents Nos. 635,
280, 621,324 and 680,842 as a condition for grant of plaintiffs'
motion for dismissal, leaving the same subject to dismissal

97 as to Patents Nos. 753,954 and 914,699, as to which the record has not been completed.

THOMAS B. KERR,
JAMES K. BAKEWELL,
PAUL SYNNESTVEDT,
Counsel for Defendant.

At a Regular Trial Term of the District Court of the United States for the Northern District of New York, Held at the Federal Building, in the City of Albany, N. Y., on the Thirteenth Day of February, 1917.

Present: Hon. George W. Ray, District Judge.

District Court of the United States, Northern District of New York.

In Equity. No. 186.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

against

GENERAL ELECTRIC COMPANY, Defendant.

Order.

The above entitled cause having been called in its regular order at the opening of court, on the thirteenth day of February, 1917, and the plaintiffs having appeared by counsel and presented a petition praying that the said bill may stand dismissed out of this court, without prejudice, and also having filed an affidavit of the plaintiff, Niels A. Christensen, and a stipulation signed by the counsel for the plaintiffs, which said petition, affidavit and stipulation, are hereto attached, and after hearing William L. Viischer, Esq., of counsel for the plaintiffs, in favor of the motion for dismissal of the bill without prejudice, and Clarence D. Kerr, Esq., having appeared for the defendant in opposition thereto, it is

98 Ordered, that the said bill stand dismissed out of this court, without prejudice, however, to the plaintiffs to commence a new action within one year, upon the payment to the defendant of the taxable costs, and it is further

Ordered, that as a condition of the dismissal of said action, that the plaintiff discontinue the suit now pending between the same parties on Patents Nos. 635,280, and 680,842 in the United States District Court, Northern District of Illinois, Eastern Division, without prejudice, however, to the plaintiffs to commence a new action within one year, upon the payment to the defendant of taxable costs, and it is further

Ordered, that all depositions stipulated or otherwise hitherto taken in this cause may be used in any other subsequent litigation be-

tween the above-named plaintiffs and defendant on any of the patents involved herein.

GEORGE W. RAY,
U. S. District Judge.

Approved as to form.

CLARENCE D. KERR,
Counsel for Defendant.

99 STATE OF NEW YORK,
County of New York, ss:

Before me, the undersigned authority, personally appeared Clarence D. Kerr, who, being by me duly sworn, deposes and says that he is the Clarence D. Kerr mentioned in the foregoing document and that the same is a true copy of an order which was entered by Judge Ray in Albany on February 15, 1917, on a motion made by plaintiffs on the 13th instant, in the case of Niels A. Christensen and Allis-Chalmers Manufacturing Company v. General Electric Company, in equity, No. 186, in the District Court of the United States of the Northern District of New York.

CLARENCE D. KERR.

Sworn and subscribed to before me this sixteenth day of February, 1917.

MAXWELL BARNS,
[SEAL.] *Notary Public, New York County, No. 56.*

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Sur Motion of Plaintiff to Dismiss the Action and Sur Motion of Defendant for Judgment.

ORB, J.:

Some days before the time fixed for the trial of this case,
100 the plaintiffs moved to dismiss the bill without prejudice.
The motion was based upon the affidavit of Christensen to the effect that he was without financial means and could not, therefore, proceed with the trial. This motion has been vigorously opposed on the part of the defendant. The principal grounds of op-

position are (a) That the defendant has gone to great expense in preparing its defense; (b) That as appears by some of the depositions which have been taken under the statutes, there can be no doubt as to the right of the defendant to a decree in its favor with respect to certain of the patents which form the basis of the suit now sought to be dismissed; and (c) That if the motion to dismiss should prevail, the defendant will be relegated to the forum within the jurisdiction of the United States District Court which sits in the city of Chicago.

None of the objections should prevail against the plaintiffs' motion. (a) That a defendant has gone to great expense in the preparation for trial has never — deemed a reason why the plaintiff should not have the privilege of discontinuing that which he has theretofore begun. Something more than trouble and expense and disappointment on the part of the defendant must appeal to the Court as a reason for refusing a voluntary dismissal of a suit. The defendant is not entitled to any affirmative relief in the proceeding, and, therefore, by the dismissal of the suit, is not deprived of any right which it might otherwise obtain. Under such conditions, if a defendant shall receive all costs to which it would be legally entitled, it ought not to be heard to complain if a court has permitted a plaintiff to dismiss its suit before trial. (b) While it is true that courts will hesitate to permit a plaintiff to voluntarily dismiss his suit after the same has been heard and is ready to be disposed of, yet, we

101 know of no rule which would lead the Court to refuse a voluntary dismissal of the plaintiffs' bill before trial, although it might be apparent that if the trial came on, and certain evidence were introduced, the decision of the Court would probably be in favor of the defendant. In the case at bar, the depositions may not be received in evidence, or if received, the particular parts upon which the defendant may rely may be the subject of well-founded objection on the part of the plaintiffs. Where an application is made for a voluntary dismissal, the Court cannot speculate as to what may be conclusively found from evidence or other testimony available to the defendant. (c) The fact that there is a suit pending between the same parties in the Northern District of Illinois with relation to some of the patents involved in the present case should not operate upon this Court to withhold its consent to the dismissal of this cause. The suit between the parties in Chicago was brought on the 13th of March, 1916. There seemed to have been no objections on the part of the defendant to the condition of having two suits pending against it in two separate districts during a period of eleven months. If it be a hardship upon the defendant to be compelled to defend the suit in Chicago, it is not such hardship, under all the circumstances, as would lead this Court to withhold its consent to the dismissal of the plaintiffs' case in this jurisdiction. If the suit in Chicago had just been brought upon the eve of the motion to dismiss this suit here, a different question would be presented, and this Court might then refuse to permit a dismissal of this suit as long as the suit in Chicago remained pending. As it is, there will be no such hardship upon the defendant immediately created by the

dismissal of the present suit in this jurisdiction which should lead this Court to refuse the plaintiff's motion.

102 It being clear that the objections by the defendant to plaintiffs' motion to dismiss his bill are not really tenable, nevertheless, such motion should not be granted without the imposition of some terms. The terms usually imposed are an imposition of costs upon the plaintiff and that such depositions as may have been taken in the preparation for trial should be capable of use in any other litigation between the parties relating to the same subject. These very terms are proposed by the plaintiffs in their motion. The additional condition urged on the part of the defendant, that the suit in the Northern District of Illinois be dismissed, should not be a part of the order of this Court for reasons hereinabove stated.

After the motion of the plaintiffs for leave to dismiss the bill was heard and argued, the defendant presented a motion for judgment upon the record as to three of the patents which are the subject of the litigation. This motion of the defendant must be dismissed because the case has not come on for trial. The stipulations of counsel and exhibits are not in evidence, and no question of law is properly raised for decision. If it were a question determinable upon reading the bill and answer, the ruling of the Court might be different. As it is, however, the motion of the defendant must be overruled.

Order of Court.

And now, to wit, February 24, 1917, on motion of solicitors for plaintiff, it is ordered, adjudged and decreed that the bill of complaint at the above number and term be and the same is hereby dismissed at the cost of plaintiffs, without prejudice to the rights of plaintiffs, or either of them; provided, however, that all depositions heretofore taken may be used in any other subsequent or pending litigation between plaintiffs and defendant.

PER CURIAM.

103 District Court of the United States, Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN et al., Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Petition for Rehearing on Defendant's Motion for Judgment upon the Record as to Patents Nos. 621,324 and 635,280.

Now, to wit, March 1, 1917, comes the defendant, by its counsel, and prays the court for a rehearing upon its motion for judgment upon the record as to Patents Nos. 621,324 and 635,280 and for a

final hearing thereon. The grounds for this petition are that the question involved is determinable upon the bill and answer and that under the authorities cited on the argument of the above motion the defendant, under these circumstances has a right to have the case decided on its merits. Thus in *Folger v. Shaw*, Fed. Case 4899, it is said:

"The true test seems to be the progress in a case so that the court may have means to decide on the merits. The defendant *then* has rights and may well insist upon a final judgment to avoid further expense and litigation."

The bill in paragraphs "third," "fourth" and "fifth" sets out the facts upon which the defense of the invalidity of Patent No. 635,280, by reason of the previous grant of Patent No. 621,324 was
104 based. The answer admits the facts to put in issue the validity of Patent No. 635,280 in view of it.

The bill in paragraph "eighth" avers the marking of machines manufactured by the plaintiffs as patented under Patent No. 635,280, and makes no such averment as to Patent No. 621,324. So that, if the second patent is invalid, the plaintiffs have no right to an account, and as the patents have expired the bill would have to be dismissed.

Defendant therefore submits that the Court has means to decide this question on the merits and that defendant has acquired such rights in the progress of the case as to entitle it to insist upon a final judgment, and defendant therefore prays that it may be granted a final hearing as to Patents Nos. 621,324 and 635,280, the bill to stand dismissed as to the other patents in suit.

JAMES K. BAKEWELL,
Counsel for Defendant.

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Certificate of Exemplification.

WESTERN DISTRICT OF PENNSYLVANIA, ss:

I, J. Wood Clark, Clerk of the District Court of the United States, for the Western District of Pennsylvania, do hereby certify
105 that the annexed and foregoing pages contain a true and correct copy of the record, excepting testimony and exhibits, in the above-entitled case, so full and entire as the same remains of record and on file in my office, in the City of Pittsburgh, in said District.

In Testimony Whereof, I have hereunto signed by name and affixed the seal of the said court, at Pittsburgh, this thirty-first day of March, A. D. 1917.

[SEAL.]

J. WOOD CLARK,

Clerk.

WESTERN DISTRICT OF PENNSYLVANIA, ss:

I, Charles P. Orr, District Judge of the United States, for the said District, do hereby certify that J. Wood Clark, named above, was, at the time of making the above certificate, and is now, clerk of the said court, and that the said certificate made by him is in due form of law.

CHAS. P. ORR,

U. S. District Judge.

Pittsburgh, March 31, 1917.

WESTERN DISTRICT OF PENNSYLVANIA, ss:

I, J. Wood Clark, Clerk of the District Court of the United States, for the Western District of Pennsylvania, do certify that the Honorable Charles P. Orr, by whom the foregoing attestation was made, and who has thereunto subscribed his name, was, at the time of making thereof, and still is, Judge of the District Court of the United States in and for said district, duly commissioned and qualified; to all whose acts, as such, full faith and credit are and ought to be given, as well in the courts of judicature as elsewhere.

In Testimony Whereof, I have hereunto signed my name and affixed the seal of the said court, at Pittsburgh, in said district, this thirty-first day of March, A. D. 1917.

[SEAL.]

J. WOOD CLARK,

Clerk.

(Here follow diagram marked p. 108 and specification marked pp. 109-112.)

No. 638,200.

H. A. CHRISTENSEN. Patented Oct. 17, 1899.
COMBINED PUMP AND MOTOR.

(Application filed Dec. 20, 1898.)

(No Model.)

Fig. 2.

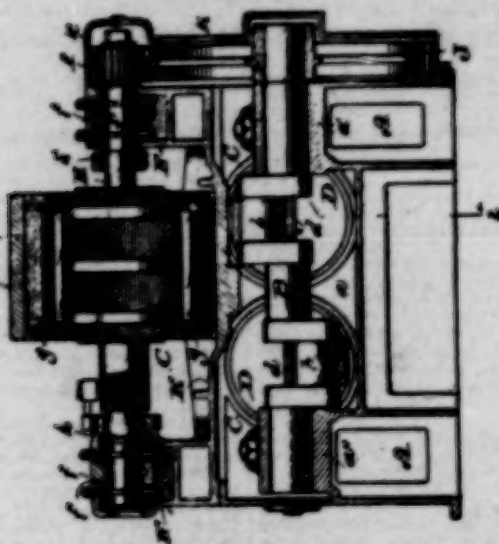
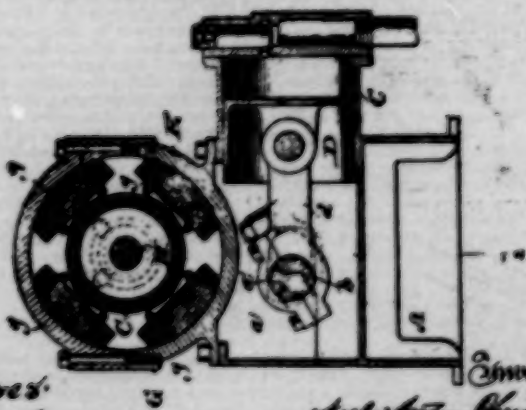


Fig. 1.



Witnesses:
Geo. W. Young
Chas. L. Jones

Inventor
H. A. Christensen
By H. A. Christensen & Co. Attorneys
St. Paul, Minn.

O. W. Morris

UNITED STATES PATENT OFFICE

WIELS ANTON CHRISTENSEN, OF MILWAUKEE, WISCONSIN.

COMBINED PUMP AND MOTOR

SPECIFICATION forming part of Letters Patent No. 828,225, dated October 19, 1906.

Application filed December 28, 1905. Serial No. 275,225. (Divided)

To all whom it may concern:

Be it known that I, WIELS ANTON CHRISTENSEN, of Milwaukee, in the county of Milwaukee and State of Wisconsin, have invented certain new and useful improvements in a Combined Pump and Motor, and I do hereby declare that the following is a full, clear, and exact description of the invention, which will enable others skilled in the art to which it pertains to make and use the same, reference being had to the accompanying drawings, and to the letters of reference marked thereon, which form a part of this specification.

The main object of my invention is to provide within small compass or in compact form a combined pump and motor of simple and durable construction that will not be affected by dust, mud, ice, or snow, that will be efficient and unattended in operation, and that will require little attention.

In consists of certain novel features of construction and arrangement of parts, as hereinafter particularly described, and pointed out in the claims.

In the accompanying drawings the letters designate the same parts in both figures.

Figure 1 is a vertical section cutting one of the compressor cylinders lengthwise on the line 1-1, Fig. 2, of a combined pump and motor embodying my invention; and Fig. 2 is a vertical section cutting the machine lengthwise of the crank and motor shafts on the line 2-2, Fig. 1.

My improved pump and motor are designed particularly for use in connection with air-brakes for railway-cars on which the pump and motor are usually exposed to dust, mud, and snow, and the working parts of unprotected iron become worn and ineffectual, besides requiring constant or frequent attention.

Referring to the drawings, A designates the main or pump frame, made of cast-iron and formed with a well or chamber a for enclosing and protecting the working parts of the pump and for containing oil for their thorough lubrication. The frame is formed or provided with bosses b', which open at their ends into the chamber a. B is a shaft supported in said bosses and formed or pro-

vided between them with cracks or notches b.

CC are pistons having with or without the frame A and opening at one end into the chamber a. DD are pistons fixed to said pistons and connected by means d d with the cracks b'. The bottom of the oil chamber or well a is preferably arranged at or near the level of the lower ends of said pistons, so that when said chamber is but partially filled the oil will flow therefrom into the pistons and thoroughly lubricate the pistons.

Upon the frame A is mounted an elastic member comprising a tube E, which is bolted to the top of said frame and serves as a cover or door for the oil-chamber a. The working parts of the pump are thus completely isolated and protected from dust and dirt. The motor-shaft F is formed or provided on its upper side in a box provided with the crank-shaft G with its eccentric link H and I, the upper links or arms J J of which are detachable for the purpose of removing the crank-shaft. Between the two bearings P P the tube E is formed or provided with an armature housing or casing Q, in the lower side of which the two pistons R R of the motor are attached. The upper part of this housing, with two pistons or ball-bearings attached thereto, is made detachable to facilitate access to and removal of the armature. This housing is preferably open at the ends to allow access of air to the armature, and thus afford ample ventilation and prevent heating of the armature. If necessary or desired, the upper part of the housing may be attached to the ends, or covers may be attached thereto to protect the compressor and otherwise exposed ends of the armature, but under ordinary conditions there are not needed.

It designates the armature-shaft supported parallel with the crank-shaft I in the chamber or boss b', provided thereto in the housing P P. Oil is provided from following the armature-shaft to the compressor by an intermediate groove L, formed around said shaft, and the escape of oil from the opposite well and box housing and its access to the armature are prevented by a stuffing-box

5 in the rear end of the adjacent journal-
 10 *shaft* *f*. At one end of the machine the cham-
 ber *c* opens through the side of frame *A* and
 at the same end the structure and crank
 shafts are grounded and provided, respec-
 15 tively, with a piston *l* and a gear *J*, which
 mesh with each other.

It is a case, the larger part of which is lat-
 20 ed or otherwise suitably attached to the frame
 over the gear *J*, there including said gear
 and forming a receptacle for holding oil in
 communication with the chamber *c*. The up-
 25 per smaller portion *k* of the gear-case cover-
 ing the piston *l* is formed with or attached
 to the top of the adjacent bearing and is
 30 is removable therefrom for the purpose of dis-
 sembling same to or removing the structure-
 shaft. In position the oil-ways in the bear-
 ings *V* *W*, the chamber *c*, containing the
 pump-driving connection, and the gear-
 35 case *K* are partially filled with oil, so that
 the pump-plunger, the cranks or eccentric
 with which they are connected, and the gear
J run in oil and the journals of the structure-
 40 shaft and the piston *l* are constantly supplied
 with oil, thereby greatly reducing the wear
 and friction that would otherwise be re-
 quired to keep the machine properly lubri-
 cated and in proper working order.

It is obvious that a pump with a single cylin-
 45 der may be made on the gear-housing shown
 and described and that various other dispo-
 sitions in the details of construction and ar-
 rangement of parts may be made within the
 spirit and intended scope of my invention.

Under certain conditions the pump is
 50 equal and constructed as herein shown and
 described may be advantageously employed
 without the special motor driven thereon,
 and I do not wish to be understood as limit-
 55 ing my invention to such a motor, except in
 those cases in which it is expressly so limited.

The pump-cylinder being as set and ar-
 60 ranged with respect to the oil-chamber *c* that
 a portion of them at least will be below the
 normal level of the oil in said chamber, the
 oil will serve by its constant agitation and
 action with the metallic walls of chamber *c*,
 65 as well as with the cylinder and plunger, to
 distribute the heat produced by the friction
 of the pump, and thereby prevent the over-
 heating of the cylinder and plunger during con-
 70 tinuous action.

Although the chamber *c* is shown as com-
 75 mencing with the gear-case *K*, the open-
 ing in the end of frame *A* between them may
 be closed, so that lubricants of different kinds
 may, if desired, be used, one for the gear and
 another for the cylinder, plunger, and cranks.

It is either over the projecting end of the
 80 crank-shaft *h*, to which the gear *J* is attached,
 is covered by the gear-case or terminates
 there, then completely enclosing and pro-
 tecting the driving connection of the pump
 85 and disposing with the stuffing-box that is
 for obvious reasons objectionable, but is in-
 dispensable, in that class of machines where

the crank-shaft projects through the casing
 and has a driving connection outside.

4 claim—

1. In a combined air-pump and electric mo-
 90 tor the combination of the frame having a
 chamber adapted to contain oil, a shaft pro-
 vided with a crank or eccentric (rotated in
 said chamber, a cylinder formed with or at-
 95 tached to said frame and opening at one end
 into said chamber, a piston fitted to work in
 said cylinder and connected with said crank
 or eccentric, a motor-horn attached to said
 100 frame and forming a cover for said oil-cham-
 ber, an structure supported upon said base
 and connected by gears with said crank-shaft,
 and a gear-case attached to said frame and
 motor-horn and forming plunger with an in-
 105 closure for said gears and a receptacle for hold-
 ing oil, said frame, gear-case and motor-horn
 completely enclosing and protecting the driv-
 ing connection of the pump and the crank-
 shaft terminating within said gear-case,
 110 whereby a stuffing-box therefor is dispensed
 with, substantially as and for the purposes set
 forth.

2. In a pump the combination with a frame
 115 frame formed or provided with a closed cham-
 ber adapted to contain dirt and to contain
 oil, a shaft having bearings in said frame or
 case and provided with a crank or eccentric
 within said chamber, a cylinder formed with
 120 or attached to said frame or case, a piston fit-
 ted to work in said cylinder and connected
 with said crank or eccentric, a shaft extending
 in said frame or case and connected by gear-
 ing with said crank-shaft, and a gear-case
 forming an oil-tight closure over said gear-
 125 ing and the end of the crank-shaft with which
 the driving connection of the pump is made,
 whereby a stuffing-box for said crank-shaft
 is dispensed with, substantially as and for
 the purposes set forth.

3. The combination of a frame provided
 130 with base and formed with an oil chamber or
 well between said base, a shaft supported in
 said base and provided between them with a
 crank or eccentric, a cylinder attached to said
 135 frame and opening at one end into the oil
 chamber or well therein, a piston fitted in
 said cylinder and connected with said crank
 or eccentric, a motor-horn mounted upon said
 frame and forming a closure for said cham-
 140 ber, an structure supported in bearings
 upon said base parallel with said crank-shaft,
 and provided at one end with a piston which
 meshes with a gear on the crank-shaft, and a
 case including said piston and gear forming a
 145 receptacle for holding oil, a part of said case
 over said piston being detachable, substan-
 tially as and for the purposes set forth.

4. The combination of a frame formed with
 150 an oil well or chamber and provided with base
 in communication with said chamber, a shaft
 supported in said base and provided with a
 crank or eccentric, a cylinder attached to said
 frame and opening at one end into said oil-
 155 chamber, a piston fitted in said cylinder and

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connected with said crank or eccentric, an electric motor mounted upon said frame and comprising a base which covers said oil-chamber and is provided on the upper side with oil-wells and two housings having detachable caps and with an armature-bearing and pins having also a detachable cap, an armature and its shaft supported in said housings parallel with the crank-shaft and provided at one end with a pinion which meshes with a gear on said crank-shaft, and a gear-case forming an oil-receptacle and composed of

two parts, one attached to the frame and center-line, and the other to and removable with the cap of the adjacent two-housing, substantially as and for the purposes set forth.

In testimony that I claim the foregoing as my own I affix my signature in presence of two witnesses.

NIELS ASTON CHRISTENSEN

Witness:

CHAS. E. GUNN,
ERNEST SMITH.

113

U. S. Circuit Court of Appeals, Third Circuit.

WESTINGHOUSE TRACTION BRAKE CO.

v.

CHRISTENSEN et al.

Decided July 3, 1917, 243 F., 901.

Appearances:

Mr. Thomas B. Kerr and Mr. Paul Synnestvedt for the petitioner.
Mr. Willet M. Spooner for the respondent.

Before Hurlington, McPherson and Woolley, Circuit Judges.

McPHERSON, Circuit Judge:

In the District Court for the Western District of Pennsylvania this was a suit in equity charging the infringement of several patents: Christensen and the Allis-Chalmers Company being the plaintiffs, and the Westinghouse Traction Brake Company being the defendant. The bill was filed in March, 1916, and the answer in the month following. On February 13, 1917, the plaintiffs moved for leave to dismiss the bill, and on February 24 the court granted the motion, entering an order of dismissal at the plaintiffs' costs without prejudice to their rights, and providing that the depositions theretofore taken might be used in any other subsequent or pending litigation between the plaintiffs and the defendant. On April 23 the defendant presented to the Court of Appeals the pending petition, which sets forth in substance:

That in the bill the Brake Company was charged with infringing 3 letters patent (two others being added by amendment), two of the first three covering identically the same invention and both having been granted to Christensen a few months apart—these patents being No. 621,324, issued March 21, 1899, and No. 635,280, issued October 17, 1899, each for the full term of 17 years from its date.

That the bill explains this unusual situation as follows:

114 When the first patent issued on March 21 it contained (probably by inadvertence in the office) a sheet of drawings that the patentee had ordered to be canceled during the proceeding before the examiner. Several months later the patentee sent the letters back and demanded new letters that would omit the sheet referred to. He did not apply for a reissue, but the Commissioner granted the demand, and on October 17 canceled the old letters and issued new letters identical therewith (excepting the sheet), but running for 17 years from its own date. That the answer admits these facts, and sets up the invalidity of the second patent on the ground that it was a later grant to the same man for the same invention.

That, in addition to the facts thus charged and admitted, the bill also shows that the question of validity between the two patents has

become important, because the bill also avers that the plaintiffs' machines were marked under the second patent, but contains no such averment as to marking under the first patent—this being a matter that affects the accounting, if the first patent should be adjudged valid over the second. That the dates show that both patents have now expired, although if the first patent continued to be in force it did not expire until several days after the bill was filed. That as no injunction can now issue under either patent, the bill presents only a question of recovery and accounting, so far as these two are concerned. Whichever patent be valid over the other, the District Court had in the pleadings, without regard to any other consideration, all the facts needed for a decision of this question on the merits; the bill submitting the question as to an issue to be determined by the court, and praying for an injunction alternatively under the first patent or the second. The petition goes on to aver that the answer not only sets up a number of prior

115 patents and prior uses, but pleads specially that the second patent was invalid if by reason of the prior issue of the first.

The petition further avers: That both parties took testimony *de bene esse* and filed the depositions in court; the plaintiffs taking the testimony of ten witnesses, offering in connection therewith a number of exhibits, and introducing also a stipulation which in substance restates the facts set up in the bill and answer regarding the relation between the two patents. That afterward the plaintiffs by amendment added two other patents to their bill, and that to these an amended answer set up the defences of laches, failure of marking and of notice, noninfringement, and lack of validity. That the defendant asked leave to amend its answer further, so as to set up as a counterclaim a certain infringement by the plaintiffs, but that this motion was denied. 235 Fed. 898. That on March 13, 1916, the plaintiffs brought a similar suit against the petitioner in Chicago, based upon the same three patents originally set up in the present suit, and that the defendant filed an answer to the Chicago suit, since which time nothing has been done therein, the plaintiffs electing to proceed in the Pittsburgh action. That the case in Pittsburgh was put down for trial and was called in November, 1916, being finally fixed for trial on January 22. That on January 20 the plaintiffs were granted a postponement until February 13, although the petitioner, with its counsel and witnesses, was then prepared to proceed. That the petitioner made ready again for the trial fixed for February 13, but that a day or two before that date the plaintiffs gave notice of a motion for leave to dismiss the bill without prejudice. That the petitioner opposed the motion on the ground that the granting thereof would deprive it of its substantial rights, and that before the motion for leave to dismiss was decided the petitioner moved "for judgment upon the pleadings and proofs already filed" as to the three patents originally contained in

116 the bill, alleging that all the facts necessary to judgment concerning the first two patents at least were already in the bill and answer, so that nothing else was needed as to them except a decision on the legal points involved. That affidavits and briefs

were filed in support of the motions and in opposition thereto, and that argument was had, after which the dismissal was allowed on the conditions already stated; but that the petitioner's motion for judgment was denied on the ground that the case had not come on for trial, and that the stipulations of counsel and the exhibits were not in evidence, the court saying at the same time:

"If it were a question determinable upon reading the bill and answer, the ruling of the court might be different."

That the petitioner thereupon moved for a rehearing of its motion for judgment as to the first two patents, insisting that such motion was determinable upon the bill and answer, and that the petitioner was therefore entitled to have the case decided in order to end the litigation. That the District Court declined to pass upon the motion or rehearing on the ground that the case was no longer before the court.

The petitioner alleges that the action of the District Court in allowing the plaintiffs to dismiss, and in declining to pass upon the motion for a rehearing, deprived it of rights to which it was entitled under the law and the equity rules, especially under rule 69, and moreover that such action deprived it of its right of appeal. The petitioner therefore prays for a writ of certiorari to bring up the record to the Court of Appeals, in order that the matters set up in the petition may be reviewed, or, in the alternative, for a mandamus directing the district court to try and determine the issues raised by the bill and answer with respect to the first two patents.

117 The petition was filed in this court on April 17, and notice was given that the court would be applied to on April 23. The application was then made ex parte, and after consideration thereof the matter was set down for argument on June 15. On that day counsel for both sides appeared, and, after discussing the point whether the remedy sought to be invoked was appropriate, they agreed at bar that the merits of the controversy should be heard in reference to the first two patents, and accordingly argument was had thereon. Informally, therefore, but with complete effect, the case is before us as if a certiorari had been actually issued and the record returned in obedience thereto. This agreement relieves us from considering any preliminary question concerning procedure, and we turn at once to the dispute concerning the respective validity of the first two patents. The petitioner concedes that the priority of the District Court's order, so far as affects the other three patents, is not before us, and it must be understood that as to these the bill stands dismissed.

The two patents in controversy were before the Court of Appeals for the Seventh Circuit in *National Brake Co. v. Christensen*, 229 Fed. 564, 144 C. C. A. 24, and the opinion of that court contains the following paragraphs:

"Letters patent No. 621,324 were issued March 21, 1899. Included therein was a sheet of drawings which had formed part of the original application, but had been eliminated therefrom and made part of a separate application after a division. The patentee at once rejected the letters patent, returned them for cancellation,

and because of the error there was issued to him letters patent No. 635,280, on October 17, 1899. The latter patent in terms ran for 17 years from its date.

"Suit was begun on both patents, alleging an infringement of the invention, and asking that, if the latter should be deemed
118 invalid, because not issued in conformity with the reissue statute (R. S. § 4916 [Comp. St. 1916, § 9461], the attempted cancellation of the former should be deemed a nullity. * * *

"It is of no moment which of the two patents be held to be in force. The surrender for cancellation of the one was conditioned upon the grant of a valid legal substitute. If the Commissioner of Patents was without authority to issue the second, then, in our judgment, his action in canceling the first must be deemed legally ineffective. We agree, however, with the learned trial judge that, while Christensen's procedure did not aim at a reissue, the situation is identical with that presented on an application for reissue, and that, without formal application, the later patent might have been designated as a reissue. This is a case of a pure clerical error, not of double patenting. While two documents have been issued, there is but a single grant of one and the same right to the same person.

"That the second patent was erroneously granted for a term of 17 years from its date does not nullify it. The law itself prescribed the term of a patent; 17 years is the maximum. It may for several reasons expire at an earlier date. The failure properly to limit the term no more affects the validity in this case than it does in a case where, because of a prior foreign patent having a shorter term, the United States patent by law expires before the end of the 17 years specified in the document."

A certiorari to review the decree of the Court of Appeals was refused by the Supreme Court. 241 U. S. 569, 36 Sup. Ct. 447, 60 L. Ed. 1225. The opinion in the District Court has not been reported, but we have examined a copy, and the following extract will show the view that was taken by Judge Geiger:

"The questions arising in the case are:

"(1) Whether letters patent No. 635,280 are valid—defendant contending that they were issued without authority; that
119 the irregularity, if it be one, of attaching to letters patent No. 621,324 the additional sheet, was subject to correction only through the medium of a reissue. An amendment to the bill was permitted to enable complainants to present all the facts, now conceded to be as above stated. If defendant is right in contending that the Commissioner of Patents was without power to grant the second patent, it ought to follow that he also lacked power to accept surrender of and to cancel the first grant. So, too, if the situation was such that complainant was entitled to a reissue, there is nothing in the reissue statute which precludes us from treating the second as, in effect, a reissue, except the fact that it fails to limit the term to that of the first patent. While the procedure adopted by Christensen may not conform to nor have been followed with the express design of obtaining a reissue, the facts brought to the Com-

missioner's attention are identical with those which would have been averred and presented upon an application for reissue; and, even without formal application for reissue, the Commissioner could, in my judgment, have disposed of Christensen's application by designating patent No. 635,280, as a 'reissue.' In every aspect of the case, it appears that the government has allowed and granted a patent embodying the claims which, in the two documents, are identical. Whether the patent be evidenced by one, the other, or both, is not, in view of the issues now here material. Complainants' contention that even though the second patent on its face extends the term of the monopoly beyond that permitted by statute the court may, when necessary to protect the public or a party, give the instrument its actual limitation and effect, strikes me as fair and entirely consistent with the spirit of the patent laws. In other words, there is no reason why the irregularity of procedure should work a default or a total lapse in the patentee's right or title, especially as against one has not been injured or misled, nor from whom relief is sought in reliance upon the irregularity. The question, upon the present state of the case, is therefore academic only."

120 We think it clear that the question now presented was not directly decided in the Seventh Circuit. As the suit there was begun in December, 1906, when both patents were only between 7 and 8 years old, the question which patent was in force was "academic." One or the other was valid, and as the invention was identical the infringer was not harmed by being enjoined under one rather than the other. In point of fact the injunction was under the second patent, and this is the decree that was affirmed, although the opinion of the Court of Appeals may be thought to lean toward the view that the first patent continued to be in force, and that the second patent had been erroneously granted.

(1, 2) But, while it might be regarded as a matter of indifference under which patent an injunction should be granted, the situation is changed when the question of accounting is presented. The two patents have different dates of expiration, and the question of marking is also to be considered. We are therefore required now to decide between the two, for confessedly both cannot be valid, and in our opinion the decision should be in favor of the first patent. The mistake could have been corrected under rule 170 of the Patent Office—such rules if not inconsistent with law having the force of a statute. Rev. Stat. § 483; *Steinmetz v. Allen*, 192 U. S. 556, 24 Sup. Ct. 416, 48 L. Ed. 555; *Caha v. U. S.*, 152 U. S. 221, 14 Sup. Ct. 513, 38 L. Ed. 415; *Wilkins v. U. S.* (C. C. A. 3d), 96 Fed. 841, 37 C. C. A. 588—which provides as follows:

"Whenever a mistake, incurred through the fault of the office, is clearly disclosed by the records or files of the office, a certificate, stating the fact and nature of such mistake, signed by the Commissioner of Patents, and sealed with the seal of the Patent Office, will, at the request of the patentee or his assignee, be indorsed without charge upon the letters patent, and recorded in the records of pat-

121 ents, and a printed copy thereof attached to each printed copy of the specification and drawing.

"Whenever a mistake, incurred through the fault of the office, constitutes a sufficient legal ground for a reissue, such reissue will be made, for the correction of such mistake only, without charge of office fees, at the request of the patentee."

Or if, because of the mistake, the specification had become either "defective or insufficient" (*Hobbs v. Beach*, 180 U. S. 394, 21 Sup. Ct. 409, 45 L. Ed. 586), the patentee had the right to apply for a reissue under section 4916 and the appropriate rules of the office. Instead of pursuing either of these courses, the patentee merely asked for a summary and irregular correction of the mistake, and the Commissioner complied with this request. Now, if the Commissioner had merely omitted the sheet of drawings and had given to the second patent the same date of expiration as the first no possible harm could have been done and his action might perhaps have been regarded as taken within the general scope of rule 170, although it did not exactly comply with the requirements of that rule. But when he undertook to fix a new date of expiration, thus prolonging the life of the patent, he did what he had no lawful right to do.

(3) The second patent was not a reissue, for it did not conform to section 4916, and it was not confined to correcting a mistake under rule 170, for it went beyond the mistake and modified the first patent in a vital particular, namely, in its date of expiration. Therefore, as the Commissioner had no warrant in the law for what he did (*McCormick Co. v. Aultman*, 169 U. S. 608, 18 Sup. Ct. 443, 42 L. Ed. 875), we see no escape from the conclusion that the second patent was invalid, and must now be so adjusted.

122 To avoid misunderstanding, and if possible to prevent further controversy on several points, we may add that the petitioner is at liberty to urge any defense that may be available under its answer, with the same effect as if the bill had been originally brought under the first patent. On these matters we decide nothing, and we express no opinion upon the question (1) whether, in view of the date when the bill was filed, the remedy in equity was open to the plaintiffs; or upon the question (2) to what extent the petitioner is liable to account in case the equitable remedy be adjudged to have been available, and the petitioner be found to have infringed.

The decree of dismissal is therefore reversed so far, and so far only, as it affects the two patents referred to, and the bill is reinstated for further proceedings in conformity with this opinion.

23 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1917.

No. 2248 (List No. 58).

WESTINGHOUSE TRACTION BRAKE Co., Petitioner,

VS.

NIELS A. CHRISTENSEN et al., Respondents.

Appeal from the District Court of the United States for the Western District of Pennsylvania.

This cause came on to be heard on the transcript of record from the District Court of the United States, for the Western District of Pennsylvania, and was argued by counsel.

On consideration whereof, it is now here ordered, adjudged and decreed by this court, that the decree of dismissal of the said District Court in this cause be, and the same is hereby reversed with costs, so far, and so far only, as it affects patents No. 621,324, issued March 21, 1899, and No. 635,280, issued October 17, 1899, and the bill is reinstated for further proceedings in conformity with the opinion of this Court.

(Signed)

JOHN B. MCPHERSON,

Circuit Judge.

Philadelphia, July 3, 1917.

Endorsed: No. 2248. Orders Reversing Decree, etc., Received and Filed. July 3, 1917. Saunders Lewis, Jr., Clerk.

124 UNITED STATES OF AMERICA,
Eastern District of Pennsylvania,
Third Judicial Circuit, act:

I, Saunders Lewis, Jr., Clerk of the United States Circuit Court of Appeals for the Third Circuit, do hereby Certify the foregoing to be a true and faithful copy of the original transcript of record, petition by writ of certiorari or mandamus, opinion of this Court, and order reversing decree of the District Court in the Case of Westinghouse Traction Brake Co., Petitioner, vs. Niels A. Christensen, et al., Respondents, No. 2248, on file, and now remaining among the records of the said court, in my office.

In testimony whereof, I have hereunto subscribed my name and affixed the seal of the said Court, at Philadelphia, this 22nd day of November in the year of our Lord one thousand nine hundred and seventeen and of the Independence of the United States the one hundred and forty-second.

[SEAL.]

SAUNDERS LEWIS, JR.,

Clerk of the U. S. Circuit Court

of Appeals, Third Circuit.

Mandate of the Court of Appeals.

UNITED STATES OF AMERICA, ss:

The President of the United States of America, ss:

To the Honorable the Judges of the District Court of the United States for the Western District of Pennsylvania, Greeting:

Whereas, late in the District Court of the United States for the Western District of Pennsylvania, before you, or some of you, in a cause between Westinghouse Traction Brake Company, Petitioner (Defendant below), and Niels A. Christensen, Allis-Chalmers Manufacturing —, Hon. Charles P. Orr, Respondents, an order or decree was entered in the said district court on the twenty-fourth day of February, 1917, as follows:

"And now * * *, on motion of solicitors for plaintiffs, it is ordered, adjudged and decreed that the bill of complaint at the above number and term be and the same is hereby dismissed at the cost of plaintiffs, without prejudice to the rights of plaintiffs, or either of them; provided, however, that all depositions heretofore taken may be used in any other subsequent or pending litigation between plaintiffs and defendant."

as by the inspection of the transcript of the record of the said District Court, which was brought into the United States Circuit Court of Appeals for the Third Circuit by virtue of a petition agreeably to the act of Congress, in such case made and provided, more fully at large appears.

And whereas, the present term of March, in the year of our Lord one thousand nine hundred and seventeen, the said cause came on to be heard before the said United States Circuit Court of Appeals on the said transcript of record and was argued by counsel:

On consideration whereof, it is now here ordered, adjudged 126 and decreed by this court, that the decree of dismissal of the said District Court in this cause be, and the same is hereby reversed with costs so far, and so far only, as it affects patents No. 621,324, issued March 21, 1899, and No. 635,280, issued October 17, 1899, and the bill is reinstated for further proceedings in conformity with the opinion of this Court; and that the said Petitioner, Westinghouse Traction Brake Co., recover against the said Respondents, Niels A. Christensen, Allis-Chalmers Manufacturing Company, Hon. Charles P. Orr, in the sum of one hundred and fifty and 5/100 dollars (\$150.05) for its costs herein expended, and have execution therefor:

Philadelphia, July 3, 1917.

You, therefore, are hereby commanded that such execution and further proceedings be had in said cause, as according to right and justice, and the laws of the United States, ought to be had, the said petition notwithstanding.

Witness, the Honorable Edward D. White, Chief Justice of the Supreme Court of the United States, at Philadelphia, the second day of August, in the year of our Lord one thousand nine hundred and seventeen.

Costs of Westinghouse Brake Company:

Clerk	\$62.05
Printing Record	\$68.00
Attorney	\$20.00

\$150.05

(Signed)

SAUNDERS LEWIS, JR.,
Clerk of the U. S. Circuit Court
of Appeals, Third Circuit.

Certified from the Record this 23rd day of November, A. D. 1917.

(Sgd.)

J. WOOD CLARK,
Clerk.

[SEAL.]

127 United States District Court, Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

CHRISTENSEN et al.

VS.

WESTINGHOUSE TRACTION BRAKE COMPANY.

Decree.

This cause having come on to be heard at this term, on motion of defendant's counsel, and thereupon it was

Ordered, adjudged and decreed, in accordance with the mandate of the Court of Appeals, filed August 3rd, 1917.

(1) That patent No. 635,280, to Niels A. Christensen, dated October 17th, 1898, for Combined Pump and Motor, was invalid having been issued without warrant of law; and

(2) That the bill be, and hereby is, dismissed as to said patent No. 635,280 with costs to defendant.

PER CURIAM.

Dated, Pittsburgh, Pa., October 1, 1917.

Certified from the record this 12th day of November, A. D. 1917.

J. WOOD CLARK,
Clerk.

[SEAL.]

128 In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN, a Citizen of the State of Wisconsin, and Allis-Chalmers Manufacturing Company, a Corporation and Citizen of the State of Delaware,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, a Corporation and Citizen of the State of Pennsylvania.

Lines, Spooner, Ellis & Quarles, Milwaukee, Wisconsin.

Reed, Smith, Shaw & Beal, Wm. R. Rummeler, Tribune Bldg., Chi.

James K. Bakewell.

Thomas B. Kerr.

Docket Entries.

March 11, 1916. Bill filed.

" " " Subpoena issued.

" 13, " Writ returned served on Westinghouse Traction Brake Company by handing to and leaving a true and attested copy thereof with E. A. Craig Manager and Chief of Sales in charge of Westinghouse Traction Brake Company at Pittsburgh, Pa., March 13th, 1916.

April 17, " Answer filed.

May 25, " Amendment to Bill of Complaint filed by leave of Court, def't to have until June 1st to answer Bill as amended.

June 1, " Answer to Amendment to the Bill of Complaint filed.

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July 28, " Notice of motion to amend answer, Affidavit and acceptance of service filed.

" " " Testimony taken before Alex Gilchrist, Jr., a New York, received and filed.

Aug. 8, " Stipulation extending time for taking deposition filed.

" 12, " Precept for appearance of Wm. R. Rummeler for Plaintiff filed.

" " " Argument sur application to file counter-claim C. A. V.

Sept. 21, " Stipulation extending time for taking deposition filed.

" 22, " Testimony in behalf of defendant taken at Schenectady, N. Y., rec'd and filed.

- Sept. 30 " Opinion filed and entered denying motion on part of defendant to amend Answer by setting up a counter-claim of infringement.
- Nov. 6 " Dropped from list subject to reinstatement upon præcipe.
- " 11 " Præcipe for Equity Calendar, May Term, 1917. filed.
- Dec. 22 " Stipulation and order as to cost of depositions filed and entered.
- Jan. 9 1917. Amendment to Answer and Order with notice filed.
- " 10 " Depositions of R. P. Tell, W. J. Richards, H. W. Cheney, E. H. Bottum, John H. Hurley, William R. Crawford & B. T. Becker, filed.
- " 20 " Affidavit of N. A. Christensen re continuance filed.
- " " " Affidavits re continuance filed.
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- Feb. 2 " Exhibits (introduced in connection with depositions taken before W. J. Brickley, Notary Public, Milwaukee) received and filed.
- " 13 " Petition of Plaintiffs to dismiss bill filed and entered.
- " " " Affidavit of Niels A. Christensen filed.
- " " " Answer to plaintiff's motion to dismiss filed.
- " " " Motion of def't for judgment upon the record as to certain patents filed.
- " 19 " Copy of Order in General Electric Co. case filed.
- Feb. 21, 1917. Opinion filed and entered granting Petition to Dismiss.
- " 24 " Order of Court dismissing bill filed and entered.
- Mar. 1 " Petition of Defendant for rehearing filed and entered.
- Aug. 3 " Mandate from U. S. Circuit Court of Appeals reversing the decree of this Court with costs, so far, and so far only as it affects patents No. 621,324 and No. 635,280, etc., rec'd and filed:
- Aug. 13 " Præcipe for Equity Calendar filed.
- Oct. 1 " Notes of hearing of October 1st, 1917, filed.
- " " " Decree dismissing bill as to patent No. 635,280, filed and entered.
- " " " Order entered on Equity Calendar:—"Oct. 1, 1917, Dismissed for want of prosecution."
- Dec. 10 " Defendant's Bill of Costs filed.

Certified from the Record, this 26th day of December, A. D. 1917.

(Sgd.)

J. WOOD CLARK,

[SEAL.]

Clerk.

- 131 *From Volume of Printed Testimony in the Suit of Christensen et al v. Westinghouse Traction Brake Company in Equity No. 80, in the District Court of the United States, W. D. of Pennsylvania, from the Testimony of Edward H. Deaon, Taken at New York City, May 17, 18 and 19, 1916, a Witness for Defendants, as follows:*

X Q. 55. How did your opportunity for keeping in touch with the development of air-brakes for electric railways, before you took charge of your present district, differ from that which you have just described?

A. From the time that I went into the employment of the Westinghouse Air-Brake Company, about May 1st, 1901, to the time that I removed from Pittsburgh to New York and became attached to the New York office, I was variously employed as engineer of the Traction Brake Department of the Westinghouse Air-Brake Company, chief engineer of the Westinghouse Traction Brake Company and assistant chief engineer of the Westinghouse Air-Brake Company when my drawing room, as chief engineer of the Westinghouse Traction Brake Company, was merged with the larger drawing room of the Westinghouse Air-Brake Company. During that period, while I was not in regular outside service, I made various trips to different points in connection with traction brakes, both of the compressed air variety and the magnetic track brake, of which the designing was under my direct supervision as chief engineer of the Westinghouse Traction Brake Company.

* * * * *

X Q. 128. Do any other companies besides the Westinghouse Traction Brake Company have their offices in New York consolidated with that of the Westinghouse Air-Brake Company?

A. Yes.

X Q. 129. What are the names of such companies?

A. There are numerous companies, among which I might mention The American Brake Company of St. Louis, The Westinghouse Automatic Air & Steam Coupler Company of St. Louis, and the National Brake & Electric Company of Milwaukee.

X Q. 130. Which, if any, of the companies which you have mentioned besides the Westinghouse Traction Brake Company
132 the Westinghouse Air-Brake Company and the National Brake & Electric Company, are engaged in supplying compressors to electric railways in the United States?

A. Those are the only companies that I am familiar with.

X Q. 131. In the course of your employment as resident engineer of the Westinghouse Air-Brake Company, have you rendered any services for the National Brake & Electric Company of Milwaukee in regard to compressors for electric railways?

Mr. Wright: Objected to as irrelevant and immaterial, and no proper cross-examination.

A. Yes.

X Q. 132. What has been the nature of such services?

Mr. Wright: Same objection.

A. Same as stated in my answer to X Q. 46, with respect to the Westinghouse Air-Brake Company.

X Q. 133. Is it correct to say, then, that the services which you have performed for the Westinghouse Air-Brake Company, the Westinghouse Traction Brake Company, and the National Brake and Electric Company have all been of substantially the same nature?

Mr. Wright: Same objection.

A. Yes.

X Q. 134. So far as you know, what circumstances determine for which of these companies you render service at any particular time?

Mr. Wright: Same objection.

A. I take no particular account as to which company the service is rendered. The nature of the service determines that; that is to say, its relation to the factory in which the product I am dealing with was manufactured.

X Q. 135. You testified before that sometimes you used letterheads of the Westinghouse Air-Brake Company, and sometimes the letterheads of the Westinghouse Traction Brake Company. Do you also sometimes use the letterheads of the National Brake & Electric Company in the course of your duties?

A. The fact is, the stenographer knows what letterhead to use, according to the subject discussed in the letter.

133 X Q. 136. So far as you know, does the stenographer sometimes use the letterheads of the National Brake & Electric Company of Milwaukee in connection with your work for said company?

A. Always when writing to the Milwaukee factory.

X Q. 137. And does this usually relate to equipments installed by the National Brake & Electric Company?

A. Yes, or sold by them.

X Q. 138. By whom is the installation work usually done?

A. Almost invariably by the car builder or the railroad that purchases the equipment.

X Q. 139. You testified, I believe, that some time ago you regarded the National Brake & Electric Company as one of the competitors of the Westinghouse Air-Brake Company or the Westinghouse Traction Brake Company. Do you regard said National Brake & Electric Company as a competitor of either of said other companies at the present time.

A. No.

X Q. 140. What is the relation of these three companies at the present time, so far as you know, with respect to the sales of compressors for electric railways?

Mr. Wright: Objected to as irrelevant and immaterial, also as incompetent and not proper cross-examination, and the witness is advised that he is under no obligations to answer questions as to the confidential relations between these different organizations, or to give any information relating thereto, even if he has such information.

A. That is a matter that I am not posted on.

X Q. 141. What is your best information in that respect?

Mr. Wright: Same objection.

A. As the matter comes to my attention I know that some customers buy compressors manufactured in Milwaukee, and others buy compressors manufactured in Wilmerding. It is my duty to assure myself as far as I can that the compressor under consideration is suitable for the work on which it is to be employed.

X Q. 142. From whom do you obtain your information as to which of said companies is making any particular sale?

A. The order is passed through my office and as previously stated, it is the duty of my office to make sure as far as possible that the order goes to the factory in proper and intelligible form.

X Q. 143. Does the order come direct to your office from the company which is making the sale?

A. It is brought in to me by my assistant or one party or another in the office at 165 Broadway.

X Q. 144. Through what course, so far as you know, does the order go from the time it leaves the office of the company which makes out the order until it reaches your assistant?

Mr. Wright: Same objection which is continued to the entire line of examination seeking to disclose the methods and working of the business and office machinery of these different companies, and the witness is advised that he is under no obligation to disclose this information and that he should decline to do so.

Mr. Rummel: In this connection we wish to call attention to the fact that we do not wish to embarrass the witness in asking him to disclose anything which would be unfair, but inasmuch as the National Brake & Electric Company has already been held as an infringer of one of the patents involved in this suit, and the decree of the District Court affirmed by the United States Circuit Court of Appeals of the Seventh Circuit, and a petition for writ of certiorari has been denied by the Supreme Court, and accounting proceedings for said infringement are now in process in Milwaukee, Wisconsin, and said company has been restrained by permanent injunction of the United States District Court at Milwaukee against the further infringement of this patent, and inasmuch as it appears that the Westinghouse Traction Brake Company, defendant in one of the suits in which testimony is now being taken, and the said National Brake & Electric Company are working together and that the witness is acting for both of these companies as an engineer

and apparently as an agent, that it is manifestly fair and, in fact, apparently necessary that the Court should have a clear understanding of the relation between these various companies, and I therefore submit that it is the duty of the witness, fairly and fully to answer the question put to him in this respect, to the best of his information.

135 Mr. Wright: It is submitted that this witness in his direct examination has not referred in any manner to the National Brake & Electric Company or to any relations between the defendant and that company, and that this entire line of examination is entirely improper cross-examination and that if complainant's counsel is desirous of bringing out or of introducing into this case the relation between these organizations, he should do so in the proper manner. It is also submitted that whatever these relations may be, particular methods of business procedure as to the handling of matters in the office of the Westinghouse Company, with which the witness may have to do, and in which he may have confidential relations with the officers of this company, are not such matters as have a bearing upon the question referred to by plaintiff's counsel, and to such an extent the witness is under no obligation to disclose the confidential workings as to methods employed in his office.

Mr. Rummel: We call attention to the fact that the question asked the witness has naturally arisen in connection with the inquiry of the witness as to his occupation and duty to his employers, and that this is manifestly proper cross-examination.

Mr. Wright: It is submitted that the present question which relates to the particular method of handling orders through the offices of the defendant company is not proper cross-examination, nor, so far as it may call for the disclosure of confidential arrangements, is it competent for this witness to reply.

A. Orders come in by mail and, as is customary, some clerk or other opens the letters, and in case of the orders they are brought to the attention of any parties interested in the different offices, and then before being sent to the factory, are brought to the attention of the engineering department for the purposes above stated, after which they pass through other clerks' hands and are mailed to the factory.

• • • • •
X Q. 145. Do the orders referred to in your answer to X Q. 144 come direct from the customers to your department?

A. No, they do not.

X Q. 146. Through what course do they come after leaving the customer before they reach your department?

A. I thought I had covered that in my answer to X Q. 144.

136 In Answer I mean to say that the customer's order is sent to 165 Broadway by mail, and then follows the course indicated in that answer.

X Q. 147. What determines to which factory your department sends the order?

A. My department does not send the order to the factory. Clerks in the other offices perform this duty as stated in answer to X Q. 144.

X Q. 148. To what department do they go from your department?

A. Some of them go to the office of the National Brake & Electric Company, Room 2115, 165 Broadway, and others go to the offices of the Westinghouse Companies to a department that might be called the price checking department. Then they go to clerks, whose duties it is to transmit orders to the factory, follow up shipments and correspondence relating in a routine manner to the different orders,

X Q. 149. What determines whether these orders go from your department to the office of the National Brake & Electric Company, or to the office of the Westinghouse Air-Brake company, or to the office of the Westinghouse Traction Brake Company?

A. The nature of the material covered by the order, especially with regard to whether the articles were to be manufactured in Milwaukee or Wilmerding.

X Q. 150. Are the orders always directed on their face to the one of these three companies to which they go?

A. I think they are, but that is a point that we give very little attention to in our department.

137 *From the Volume of Typewritten Testimony in Christensen et al. v. Westinghouse Traction Brake Co., from the Testimony of E. H. Bottum, a Witness Called by Plaintiffs, Taken at Milwaukee, Wisconsin, November 1st, 1916, as follows:*

Q. 24. Mr. Bottum, you were attorney for N. A. Christensen from the period 1902 to 1906 and thereabouts, were you not?

A. Yes, occasionally.

* * * * *

Q. 46. Were there any negotiations in March, 1906, looking toward the sale or license of Mr. Christensen's patents?

A. Yes.

Q. 47. With whom were they, and where were they?

By Mr. Kerr: Objected to as merely repeating the testimony of the witness that he has already given, and as incompetent.

A. Mr. H. H. Westinghouse and Mr. Miller.

Q. 48. What Miller was that?

A. That was a Mr. Miller connected with the Westinghouse Co. I don't remember his first name, but I think it was John.

Q. 49. Was it John F. Miller?

A. I believe that was the name.

Q. 50. What company do you mean by the Westinghouse Co.?

A. It was not the Westinghouse Air-Brake Co., but another company which looked after air brakes for electric cars, and the old National Electric Company, which I understood at that time Westinghouse interests had purchased in Milwaukee.

Q. 51. Was it the Westinghouse Traction Brake Co.?

A. Yes, I believe that was the name of it.

Q. 52. Were Mr. Westinghouse and Mr. Miller officers of that company, or connected with it?

By Mr. Kerr: Objected to as immaterial, irrelevant and incompetent.

A. I assumed that. I don't think it went farther than an assumption on my part.

Q. 53. You produced the other day a copy of a letter that you sent to H. H. Westinghouse, which referred to a conference at the Hotel Pfister in March, 1906. I will ask you whether that is the conference to which you have just testified?

A. Yes.

Q. 54. And that is the H. H. Westinghouse to which you refer?

A. Yes, sir.

Q. 55. The Hotel Pfister was in Milwaukee?

A. Yes, sir.

Q. 56. Is the report of that conference as contained in that letter correct?

By Mr. Kerr: Objected to as immaterial, irrelevant and incompetent.

A. It agrees with my recollection.

* * * * *

X Q. 69. I show you herewith what purports to be a copy of a letter written by you under date of April 25, 1904, on the 20th Century Limited en route to New York from Chicago, and which is addressed to the National Electric Company, Milwaukee.

* * * * *

A. My recollection is that I wrote a letter or communicated some of the things that appear in that letter. There are some expressions there that I would doubt that I used exactly the language in that paper. I could tell better if I could see the original letter.

X Q. 70. The suit referred to in that letter is the suit against the South Side L on the balanced wire patent. Is that correct?

Same objection, and further objected to on the ground that the letter speaks for itself.

A. The letter refers, I think, to a balancing wire.

X Q. 71. And that suit, you understood, was being defended by the Westinghouse Traction Brake Company. Is that correct?

A. I understood, I believe, that Mr. Bell had appeared in it, but I don't know that Mr. Bell used any other expression in talking about it than "Our people." I probably inferred that it was one of the Westinghouse companies that was employing him.

X Q. 72. What happened to that suit?

139 A. Our docket record closes with the filing of a replication.
X Q. 73. No testimony was taken?

A. So far as I can recollect, not.

X Q. 74. Isn't it also your recollection that the suit was dismissed?

A. I can't say. As I say, our docket record shows nothing except the filing of a replication. That is, shows nothing after the filing of a replication.

X Q. 75. You brought that suit at the instance of the National Electric people, and on behalf of Christensen, did you not?

A. Possibly. I think at the instance also of Christensen, and on behalf of the National Electric Company.

X Q. 76. That is you understood that Mr. Christensen was obligated by reason of his license agreements with the National Electric Co. to bring suits against alleged infringers. Is that correct?

By Mr. Quarles: Objected to as incompetent, irrelevant, immaterial, and not cross-examination, and calling for a conclusion.

A. I don't remember that. I don't remember whether I considered that at the time, or that I went beyond both parties desiring the bill to be filed.

X Q. 77. Did you ever advise the Christensen Engineering Company or the National Electric Company, with regard to the construction or interpretation of any of their licenses with Christensen?

Objected to as incompetent, irrelevant and immaterial and not proper cross-examination, and a privileged communication between attorney and client.

A. I talked over matters that arose between them and Christensen with both of them, as I recollect, once or twice. Further than that I don't at present recollect.

By Mr. Kerr: The notary is requested to mark the paper shown the witness as:

"Defendant's Exhibit Bottum Letter, dated April 25, 1904."

By Mr. Kerr: This is just marked for identification. I am not offering it in evidence.

X Q. 78. Mr. Quarles made a statement with regard to
140 certain questions which were asked you, and which you refused to answer, that he withdrew on the part of Christensen the plea of a privileged and confidential communication. In view of this do you desire to answer any of those questions?

A. It is a matter of indifference to me. If you repeat the questions why I can answer.

The notary thereupon read the questions referred to to the witness as follows:

"Q. During 1904 or 1905 did you consult with Mr. Christensen or any officials of the Christensen Engineering Company or the National Electric Company, with regard to bringing suit against the

Westinghouse Traction Brake Company on Christensen motor compressor patent 635,280?"

A. I am unable to recollect at this time whether I did.

"Q. Did you consult with any members, any employees or officers of the Christensen Engineering Co. or the National Electric Co. with regard to bringing such a suit?"

A. That is a suit against the Westinghouse Traction Brake Co.?

X Q. 79. Yes, or any Westinghouse Company.

By Mr. Quarles: We object to the question as double.

A. I can't say that I did. I don't recollect that I did.

X Q. 80. You will remember that when you testified here the other day, you produced a letter book copy of a notice with regard to patent 635,280 addressed to the Westinghouse Traction Brake Company, under date of December 12, 1906?

A. Yes, I recollect that clearly.

141 *From the same of Typewritten Testimony in Christensen et al. v. Westinghouse Traction Brake Company, from the Testimony of Richard P. Tell, taken at Milwaukee, Wis., a witness called by plaintiffs, as follows:*

Testimony Taken October 25, 1916.

Q. 20. Do you consider the Westinghouse Traction Brake Co. a competitor?

A. Not at the present time, no.

Q. 21. Why not?

A. Because we are now manufacturing for them only.

Q. 22. Well, have they been a competitor of yours since 1906?

A. They were from 1906 on up to a year or so ago.

Q. 23. Who owns all or substantially all of the stock of the National Brake & Electric Co. at the present time?

Mr. Wright: Objected to as entirely immaterial. This question, as well as the entire line of examination regarding the competitors of the National Brake & Electric Co. is objected to as entirely immaterial, and the question as to stock ownership is further objected to as calling for a matter which may be within the knowledge of the witness, but about which it may be a personal matter as to whether or not he shall wish to reply. The witness is advised that as to this question, or any questions which are of a personal nature he is entitled to consult his personal counsel before making answer, and that if he wishes to do so he should decline to answer the question until he has had such opportunity.

Mr. Quarles: I repeat the question and insist on its being answered, and do not understand that a witness is entitled to counsel.

(Question repeated.)

A. Mr. John F. Miller.

Q. 24. Who is Mr. John F. Miller?

A. He is vice-president of the Westinghouse Air-Brake Co.

Q. 25. How long has he held such stock?

A. Since the organization of the Company.

142 Q. 26. You know, do you not, as a matter of fact, that he holds it for the Westinghouse Traction Brake Co.?

Mr. Wright: Same objection and advice to the witness.

A. It is my understanding that that is the case.

Q. 27. You so testified in the action of Niels A. Christensen against the National Brake & Electric Co., did you not?

A. I think so, yes.

* * * * *

Testimony Taken October 27, 1916.

Q. 228. Mr. Tell, who were the attorneys for your company in the litigation on patent 635,280?

A. You mean the National Brake & Electric Company's attorneys?

Q. 229. Yes.

A. Mr. Charles A. Brown, J. Snowden Bell, and afterwards Mr. Thomas B. Kerr.

Q. 230. Who is Mr. J. Snowden Bell?

A. He is a patent attorney.

Q. 231. Where does he live?

A. I think he lives in New York. His office is in the Singer Building, New York.

Q. 232. Who paid his bills for services in defending your company for that action?

By Mr. Wright: Objected to as irrelevant and immaterial.

A. I don't know.

Q. 233. Can you ascertain and report?

A. I suppose I can.

* * * * *

Q. 237. What was your connection with the National Brake & Electric Co. from 1906 to date?

A. Vice-president.

Q. 238. Although you have been vice-president all that time, you don't know whether your company has paid Mr. Bell anything on account of services in connection with that action. Is that correct?

A. I don't know, no, sir.

Q. 239. Will you ascertain and report to us?

Same objection and advice.

143 A. Yes, sir.

Q. 240. Do you know whether you paid Mr. Brown anything other than an annual retainer in connection with that action?

Same objection and advice.

A. No, I don't think we are paying Mr. Brown an annual retainer.

Q. 241. Will you ascertain and report?

A. Yes.

Q. 242. Do you know whether the Westinghouse Traction Brake Co. has paid him anything for services in defending this action?

A. I do not.

Q. 243. Have you any way of ascertaining that fact?

A. No, except by asking them if they are willing to tell me.

Q. 244. I believe I asked you whether you were employed by the Westinghouse Traction Brake Co.?

A. I am not.

Q. 245. Have you ever been?

A. No, sir.

Q. 246. Are you now being compensated by that company?

A. I have received money from Mr. John F. Miller from time to time, which has been given to me in consideration of my services at Milwaukee.

Q. 247. In consideration of your services to whom?

By Mr. Wright: The same objection is continued as to this line of examination.

A. The National Brake & Electric Company.

Q. 248. How often have you received money from Mr. John F. Miller? Regularly?

A. No, not regularly, but quite frequently.

Q. 249. Once a year or oftener?

A. Sometimes.

Q. 250. For how long a time has that continued?

A. Oh, I don't remember now; 6 or 7 years, perhaps.

Q. 251. Have you any way of ascertaining how far back that goes?

A. Yes.

Q. 252. Will you please do so and report?

A. I don't believe I will.

Q. 253. Why not?

144 A. Because I don't think it is of anybody's interest what moneys I may have received outside of my actual salary as an employee of the National Brake & Electric Company.

Q. 254. I did not ask you the amounts, but as to the date when that commenced.

By Mr. Wright: The witness is advised that he is under no obligation to investigate this matter of these payments of these amounts to him.

A. I believe I stated that it dated back 6 or 7 years.

Q. 255. Are you sure it was not back of that?

A. There was one back in 1907.

Q. 256. That Mr. John F. Miller was the John F. Miller in whose name a controlling stock of the National Brake & Electric Company stands, is he not?

A. Yes, sir.

* * * * *

Q. 311. Mr. Tell, is it the Westinghouse Traction Brake Company or the Westinghouse Air-Brake Company that has a large open account with the National Brake & Electric Company, and has had for several years?

By Mr. Wright: Objected to as immaterial.

A. The Westinghouse Traction Brake Company.

Q. 312. How large does that account run?

A. That depends upon conditions. Just now they owe us money, and we have owed them money, as high as three or four hundred thousand dollars.

Q. 313. You have owed them money for a good many years upon which they have charged you no interest, is that not correct?

By Mr. Wright: The witness is advised that he is not under obligations to disclose confidential matters as to his account with that company unless he desires to do so.

A. We have paid them interest on some money, and on some we have not.

Q. 314. A good deal more that you have not paid interest on than that you have paid interest on. Is that not correct?

A. No, I think it is the other way.

Q. 315. Are you prepared to say definitely?

A. Yes.

Q. 316. That you have paid them interest on more than you have not?

145 A. Yes, sir, that is my recollection.

Q. 317. But these two companies are owing one another considerable sums, and have been for a good many years; is that not correct?

A. Yes, sir. We did considerable business with each other.

* * * * *

Q. 319. Has that Westinghouse Air Brake Company ever advanced to the National Brake & Electric Company money in any considerable sum?

A. No, sir.

Q. 320. Has the Westinghouse Traction Brake Company?

A. Yes, sir.

Q. 321. A good many times?

A. Yes, a good many times.

Q. 322. Who are the present directors of the National Brake & Electric Company?

A. I think it is John F. Miller, A. L. Humphrey, C. J. Ohmstead, W. S. Bartholomew and myself.

Q. 323. That John F. Miller is the Miller about whom you have testified?

A. John F. Miller is the president of our company.

Q. 324. And the man in whose name a controlling amount of the stock stands?

A. Yes, sir.

Q. 325. Who is Mr. Humphrey?

A. He is general manager of the Westinghouse Air Brake Co.

Q. 326. How long has he been a director?

A. I don't know, but for some time.

Q. 327. Several years?

A. Yes.

Q. 328. As far back as 1906?

A. I wouldn't be sure about that, but it is 5 or 6 years anyway.

Q. 329. Can you ascertain and let us know, when you let us know as to these other matters?

A. Yes.

Q. 330. Who is Mr. Ohmstead?

A. Mr. Ohmstead is in charge of the Western Sales District for the Westinghouse Air Brake Company.

Q. 331. How long has he been a director?

A. About 3 years, I think.

Q. 332. Who was his predecessor?

A. I think Mr. Adreon.

146 Q. 333. How long was Mr. Adreon a director?

A. I think he was a director from the organization of the company.

Q. 334. Who is he?

A. He is the vice-president of the American Brake Company, St. Louis.

Q. 335. Is that company affiliated with the Westinghouse Air Brake Company, if you know?

A. I believe so.

Q. 336. Who is Mr. Bartholomew?

A. He is president of the Locomotive Stoker Company.

Q. 337. How long has he been on the Board?

A. About 3 or 4 years.

Q. 338. Who was his predecessor?

A. I don't remember who his predecessor was.

Q. 339. Will you ascertain and report?

A. Yes.

Q. 340. Do you know who Mr. Humphrey's predecessor was?

A. No, I do not.

Q. 341. Will you also ascertain that fact?

A. Yes.

* * * * *

Testimony Taken October 30, 1916.

Q. 442. Referring to question 232, you were asked to investigate and report whether your Company, that is, the National Brake & Electric Co., paid the bill of Mr. J. Snowden Bell, for defending that Company in the litigation on patent 635,280, to which reference has heretofore been made. Have you that information?

A. I did not find that we paid any.

Q. 443. If you had paid him, your records would show that fact, would they not?

A. Yes, sir.

Q. 444. Did you find any bills rendered by him that were unpaid?

A. I did not look up any bills. I asked our treasurer if we paid any bills to Mr. J. Snowden Bell. He said we had paid some, but he did not believe they applied on the patent suit.

Q. 445. Did you make the same inquiry as to the bill of Charles

A. Brown?

147 A. I think I already answered that we did pay Mr. Brown. I knew that.

Q. 446. I think I asked you whether you paid Mr. Brown anything other than an annual retainer, and you said you did not think that you were paying him that; that you would investigate and report; questions 240 and 241.

A. What I meant was, we don't pay him an annual retainer. We pay his bills as he puts them in.

Q. 447. Did you pay him for his work in equity 474, the case to which I have heretofore referred, on patent 635,280?

A. Yes, sir, that is my recollection.

Q. 448. Will you produce the vouchers in payment of Mr. Brown's fees?

A. I will not.

* * * * *

Q. 449. Do these vouchers show in what case the services were rendered?

A. I have testified that we paid Mr. Brown for his services in the Christensen patent suit. I think that is sufficient information. I don't think it is necessary to state what we paid him; the exact amounts.

* * * * *

Q. 453. Did anybody reimburse your Company, in whole or in part, for the amounts that your company paid to Mr. Brown on account of his services in this Christensen patent case?

A. No, sir.

Q. 454. Are you sure of that?

A. I am sure of that.

Q. 455. Did you pay any person or any Company anything on account of the services of Mr. J. Snowden Bell, in that case, equity 474, being the Christensen case on patent No. 635,280?

By Mr. Wright: Same objection.

A. I don't know of any.

Q. 456. If there had been, would you know of it?

A. I think so.

Q. 457. Referring to question 329, Mr. Tell, you were asked to let us know who were the directors of the National Brake & Electric Co. from time to time throughout its existence. Have you that information?

A. That is not the way it was given to me. I have got here, "How long has Mr. Humphrey been director of the National
148 Brake & Electric Co.," and "Who was the predecessor of Mr. Bartholomew as a director, or Mr. Humphrey." Mr. Humphrey has been a director since the organization of the Company, and Mr. Bartholomew succeeded Mr. P. J. Myler?

Q. 458. Who was Mr. Myler?

A. I don't know what his title was exactly. He was connected with the Canadian factory of the Westinghouse Airbrake Co.

Q. 459. An officer?

A. He was an officer of it, yes.

Q. 460. How long was he a director?

A. From the organization up to about 4 years ago, I should say.

Q. 461. When he was succeeded by Mr. Bartholomew?

A. Yes, sir.

* * * * *

Q. 608. When did you first meet one of the officials of the Westinghouse Traction Brake Company, or the Westinghouse Air Brake Company in connection with your employment for any of these various companies with which you have been connected, and regarding which you have testified?

By Mr. Wright: Objected to as irrelevant and immaterial.

A. The officials of the Westinghouse Co. did not know me until 1906, so they had nothing to do with any of the companies prior to that, and the first time I met one of them was the day that Mr. Miller came here to find out about the conditions of the shop.

Q. 609. When was that?

A. That was the early part of March, 1906; possibly the end of February. About that time.

Q. 610. Had some one either connected with the Westinghouse Traction Brake Company, or the Westinghouse Air Brake Company, come to see you previous to that time?

Same objection.

A. No, sir.

* * * * *

Q. 621. What is the custom with respect to the interchange or transfer of orders for air brake equipment between the National
149 Brake & Electric Company, the Westinghouse Traction Brake Company, and the Westinghouse Air Brake Company, or any of them?

By Mr. Wright: Objected to as irrelevant, immaterial and incompetent.

A. I am afraid you will have to make that plainer before I can answer that question. I don't understand what you mean by the term "interchange."

Q. 622. Mr. Edward H. Dewson, a witness produced by the Westinghouse Traction Brake Company in this case in New York, testified that there was a relation between the companies that I have mentioned and that sometimes orders were sent to one of the companies from the main office in New York, all of these companies having their offices together, and that sometimes they were sent to another of these companies. I would like to have you state particularly as to what is the relation in this respect with respect to your company and the Westinghouse Traction Brake Company, and also with respect to the relation of your Company to the Westinghouse Air Brake Co.?

Same objection.

A. I think Mr. Dewson made statements about matters that he does not understand or is not familiar with, as it is not in accordance with the facts as far as our company is concerned. There has been no interchange of orders. The National Brake & Electric Company had its own sales department and sold direct to the trade, filling all orders, and carrying their own accounts, collecting for them, and looking after the equipments until 1912. At that time an arrangement was made between the National Brake & Electric Company and the Westinghouse Traction Brake Company whereby the sales managers of that Company, which are divided into four sales districts, took charge of the sales department of the National Brake & Electric Company, and the representatives of that Company worked under their instructions, but still sold our product, and the orders were sent to us just the same as if they had been under my charge, as they had been prior to that. There has been a few cases where the Westinghouse Traction Brake Company has taken orders for air brake equipments, and with companies who were under contract with them to buy all their equipment from them, and in some cases they demanded our compressors, and in accordance with their contract they sent the order to the Westinghouse Traction
150 Brake Company, and we in turn, got it from them. That included only a compressor. The balance of the equipment was Westinghouse equipment. That has been the only method that we have pursued.

By Mr. Rummier:

Q. 623. The first part of the answer down to and including the word "concerned" is objected to as not responsive, and a motion will be made in due course to strike out this part of the answer.

(Answer read.)

Witness: I might correct that so as not to have a misunderstanding there. Where I said there we did not get the order of the Westinghouse Traction Brake Company's customer, we got the order direct from the Westinghouse Traction Brake Company, and billed it to them, and they in turn billed the entire order, including our compressor and their material direct to their customer. What I

wanted to explain was that they did not send us their customer's order for the compressor. They made out their regular purchase order to us in some cases.

Q. 624. Did the National Brake & Electric Company ever get any orders that they in turn turned over to the Westinghouse Traction Brake Co. to be filled?

A. No, because we never had any exclusive sales arrangements with any customer.

Q. 625. What do you mean by exclusive sales arrangements?

A. A contract whereby the customer would buy all of his air brake equipment and parts therefor from the one manufacturing company.

Q. 626. Do either the National Brake & Electric Company or the Westinghouse Traction Brake Company receive any orders from the Westinghouse Air Brake Company for compressors or compressors valves or motorman's valves?

Same objection.

A. I don't remember of ever seeing any. I don't believe we did. I cannot tell as to the Westinghouse Traction Brake Company, that is sure. I don't know whether the Westinghouse Traction Brake Company gets orders from the Air Brake Company, or not.

Q. 627. Do you manufacture any parts of these devices 151 regarding which I just asked you, or any of them for the Westinghouse Traction Brake Company?

A. We do, on orders from them, yes.

* * * * *

Q. 640. Who furnished the capital to purchase the assets of the National Electric Co. for the Wisconsin Brake & Electric Co.?

A. I think the Standard Trust Co. of New York.

Q. 641. Do you know for whom they were furnishing the money?

A. I presume it was for the Westinghouse Traction Brake Co. I have no absolute knowledge of that.

Q. 642. Do you know what was paid for the assets?

A. Yes, if I remember correctly, they paid \$500,000 to the trustee.

* * * * *

Testimony Taken October 31, 1916,

Q. 638. From whom do you receive your instructions in the management of the National Brake & Electric Co.?

By Mr. Wright: Objected to as irrelevant and immaterial.

A. Principally from Mr. John F. Miller, the president of the company.

Q. 659. Mr. Miller, I believe you stated also was an officer in the

Westinghouse Air Brake Co. Is he also an officer in the Westinghouse Traction Brake Co.?

A. I know he is an officer in the Westinghouse Air Brake Co. but I am not sure of his position with the Traction Brake Co.

* * * * *

Q. 664. What persons other than yourself or Mr. Miller, to your knowledge, are stockholders, directors or other officers of the Westinghouse Air Brake Co., and the Westinghouse Traction Brake Co.?

By Mr. Wright: Same objection.

By Mr. Kerr: Objected to because the question contains the implication that the witness is a director of both those companies.

By Mr. Wright: The question is further objected to as
152 calling for information regarding the private affairs and investments of other persons, regarding which the witness is not bound to give any information.

A. I believe I have stated already that I do not know anything about the affairs so far as stockholders and directors of either of the two companies mentioned are concerned. The only one I could mention, and that is merely presumption, that he is a stockholder, is Mr. Westinghouse. Mr. Humphrey is vice-president, but I do not know if they are directors.

Q. 665. To whom did you report the fact that the Christensen and Allis-Chalmers suit, regarding which you have testified, was brought against the National Brake & Electric Co. at the time of the bringing of such suit? I refer to the officials only which were higher in authority than you were in that company, or in any of the Westinghouse companies.

By Mr. Wright: Same objection as to irrelevancy and immateriality.

A. To the best of my recollection I notified Mr. John F. Miller and Mr. Charles A. Brown.

* * * * *

Q. 677. At the time that the National Brake & Electric Co. informed Mr. Christensen that it would no longer operate under the temporary license that had been granted it in 1906, to use up the material on hand, did you send the notice to Mr. Christensen?

A. I think I did.

Q. 678. Were you requested by any official above you in authority to send such notice?

A. I was advised by Mr. Charles A. Brown, our patent attorney, to do it.

Q. 679. Had Mr. Miller at any time told you that you were to be guided by Mr. Charles A. Brown's advice in regard to the patent affairs of your Company?

A. I am not sure, but I presume he had, although Mr. Brown had been patent attorney for the prior companies, and I had always consulted him on patent matters.

113 *From the Typewritten Testimony Taken Before the Master in the Accounting in the Case of Christensen et al. v. National Brake & Electric Co. in the United States District Court for the E. D. of Wisconsin, from the testimony of Richard P. Tell, taken at Milwaukee, Wis., a Witness called on behalf of plaintiffs, as follows:*

Testimony Taken September 6, 1916.

Q. 1. You are connected with the defendant, the National Brake & Electric Company, Mr. Tell?

A. Yes, sir.

Q. 2. In what capacity?

A. In the capacity of general manager.

Q. 3. How long have you been general manager.

A. Since 1906.

* * * * *

Q. Now, Mr. Tell, who is the president of the Company?

A. Mr. John P. Miller.

Q. Who is the vice-president?

A. I am.

Q. Does Mr. Miller live in Chicago?

A. No, he lives in Edgewood, Pa.

Q. Are you a member or an officer of the Westinghouse Co.?

A. Yes, sir.

Q. What Westinghouse Co. is that, is that the air brake Company?

A. Westinghouse Air Brake.

* * * * *

Q. What competition did you have?

A. We had the General Electric Co., Allis-Chalmers Co., and Westinghouse Traction Brake Co.

Q. How long did you have the Westinghouse Traction Brake Co. as a competitor?

A. Oh, I cannot tell exactly how long we had them as a competitor. I think up till about 1910 or 1911.

Q. Do you wish to assert here now that the Westinghouse Brake Co. were bona fide competitors of yours?

A. They were competitors as far as our salesmen were concerned.

Q. What do you mean by that?

154 A. That our salesmen were told at what prices to sell the goods, and it made no difference to them as to who the competitor was.

Q. The capital stock of this company was held by the Westinghouse Traction Co. at that time, was it not?

Mr. Spooner: I want to show that this competition of the Westinghouse concern did not afford any basis at all for a change from the list price; that the entire capital stock except a few dummy shares of this company was owned by the Westinghouse Co., and that this is a Westinghouse concern in and of itself in that the stock is all owned and controlled by the Westinghouse Co., and therefore there could not be any bona fide competition as testified to between those two concerns.

Mr. Brown: I submit the question whether or not they are competitors was immaterial as well. The whole inquiry is improper in this accounting.

Mr. Quarles: We are also entitled to prove competition, cutting prices, etc., as affecting the licensee, the Allis-Chalmers Co. Where the defendant has unlawfully cut prices it includes damages for that. I submit that that is material on that ground.

Mr. Spooner: It is also material as a matter of credibility to a small extent. We wish to get into possession of all these facts which are now solely within the control of the defendants. While we are not entitled to anything that is not material, yet on the basis of damage, where they made a reduction in prices as the result of competition as testified, and there was no bona fide competition, except in one or two instances, I think we ought to be entitled to show it.

Objection overruled.

Exception by defendant.

A. Yes.

Q. Mr. Tell, do you know whether or not of your own knowledge there was any working arrangement respecting these devices between the Westinghouse Traction Brake Co. and the General Electric Co.?

A. None to my knowledge.

* * * * *

Q. You borrowed money of the banks in the usual course of business?

155 A. We have, but as a rule we borrowed money from the Westinghouse Traction Brake Co.

* * * * *

Q. Part of the time on some of the loans, not from banks, you didn't pay any interest?

A. The Westinghouse Traction Brake Co. was an open account on which we have not paid any interest.

Q. They loaned you the money as a matter of book-keeping, I suppose.

A. Yes, or rather, we owe them money and did not pay it. That is the size of it.

* * * * *

Testimony Taken September 22, 1916.

Witness. There was one other compressor that I did not think of the other day. We only made that in the last year. I want to put that in and state that that is not included in the accounting. That is the type M. W. 1, as shown in catalogue N-434. That shows the cross sections.

Marked "out."

By Mr. Spooner: I ask that this Exhibit N-434, which relates to Mr. Tell's statement, be marked as an exhibit.

Marked: "Plaintiff's Exhibit 38."

Q. How long have you been making this type of compressor, Mr. Tell, referred to in Plaintiff's Exhibit 38, being catalogue N-434?

A. I should say about a year and a half. That is the Westinghouse design. They designed the compressor.

Q. These are equipments you have been manufacturing and selling?

A. Yes, sir.

Q. By "you" I mean the National Brake & Electric Company.

A. Yes.

* * * * *

Q. Referring to Exhibit 38 and this device thereby represented, that being N-434, you stated that this was a device you have been making which you forgot when you were last testifying?

A. Yes, sir.

156 Q. Are there any more devices that you have forgotten?

A. No. All our own compressors are in these two catalogues, and this is something we were building for Westinghouse, so it was not in these catalogues, and it was not until after I got back that I thought of this one here.

Q. You have been building this machine referred to in Exhibit 38, being N-434, for the Westinghouse Traction Brake Company?

A. Yes.

Q. And for what other Westinghouse Co.?

A. That is all. Westinghouse Traction Brake Co.

Q. You were making these equipments upon order of them for delivery to them or to their customers, or both?

A. Both.

Q. Have you any of these equipments or devices referred to in Exhibit 38, being catalogue N-434, now in the city or at your plant?

A. Yes.

Q. Do I understand you you have been manufacturing for and selling to the Westinghouse Company?

A. Yes, sir.

Q. Are there any others besides the Westinghouse Traction Brake Co. to whom you have sold these devices manufactured by you?

A. No. Westinghouse Traction Brake Co.

Q. Only that one. Have you records in your office as to the destination of the various orders. The destination of the machines after the order has been entered and filled?

A. I think so. Most of them anyway.

Q. Did you receive your compensation for the manufacture of these machines referred to in Plaintiff's Exhibit 38, being catalogue N-434, from Westinghouse or from the ultimate purchaser?

A. From the Westinghouse Traction Brake Co.

Q. And not from the retail user?

A. No, sir.

* * * * *

Testimony Taken March 26, 1917.

Q. Who is John F. Miller?

A. He was vice-president of the Westinghouse Air Brake Company at that time.

Q. How long was he connected with the Westinghouse Air Brake Co?

157 A. I don't know.

Q. He was subsequently made president of the National Brake & Electric Co., was he not?

A. Yes, sir.

Q. And held that office until within the last 2 months?

A. Yes, sir.

Q. Who owned the entire capital stock of the Wisconsin Brake & Electric Co.?

A. I don't know who held it.

Q. It was held for the Westinghouse Air Brake Co., was it not?

A. I presume so, yes.

Q. That is your understanding?

A. That is my understanding.

Q. That is your best recollection as to the fact?

A. Yes.

Q. Who owns all of the capital stock of the National Brake & Electric Co.?

A. The Westinghouse Air Brake Co.

Q. How long have they held it?

A. I will change that. It is the Westinghouse Traction Co. and not the Westinghouse Air Brake Co.

Q. Does that change in your answer go also to the Wisconsin Brake & Electric Co.?

A. Yes. That is my understanding, that it is the Westinghouse Traction Brake Co.

Q. The Westinghouse Traction Brake Co. has held the entire capital stock of the National Brake & Electric Co. since its organization?

A. Yes.

Q. It has stood in the name of John F. Miller, most of it, and qualifying shares?

A. Yes, sir.

Q. And that is true as to the Wisconsin Brake & Electric Co.?

A. I don't know how the stock stood in the Wisconsin Brake & Electric Co.

Q. But it is true as to the ownership?

A. As to the ownership.

Q. The minute book referred to, page 60, shows that there were \$500,000.00 of bonds of the National Brake & Electric Co. issued. Do you know to whom those were issued?

A. No, I do not.

Q. Wasn't it to the Westinghouse Air Brake Co.?

158 A. Yes, they got them, but as to who they were actually issued to I don't remember.

Q. They got them very shortly after they were issued, didn't they?

A. I think so. I am not sure whether that is the Air Brake Co. or the Traction Brake Co.

Q. Have you anything here to refresh your recollection as to whether that was the Traction Brake Co. or the Air Brake Co.?

A. No, I cannot tell positively.

Q. It was one or the other?

A. I think so.

Q. I call your attention to the fact that there was an agreement between the Westinghouse Air Brake Co. and the organizers of the National Brake & Electric Co. to place to the credit of the latter, to be drawn as needed, an amount in excess of \$60,000. I ask you whether that refreshes your recollection at all? I call your attention to item marked Folio 9 on the copy I have here of the opening journal entries of the National Brake & Electric Co.

A. You refer to the item of \$185,000?

Q. Yes.

A. My recollection is that the amount of \$185,000 was placed to our credit to complete an expenditure of one million dollars paid out for the purchase of the plant, and the money was drawn as we needed it.

Q. As I understand the record, this plant was purchased by defendant's company from the Wisconsin Brake & Electric Co. by the issue to it of a million dollars' worth of capital stock and half a million dollars of bonds. That purchased the plant, did it?

A. Yes.

Q. You are not at present able to say whether this \$500,000 of bonds went to the Westinghouse Traction Brake Co. or the Westinghouse Air Brake Co.?

A. No, I am not sure about it.

Q. But it went to one or the other?

A. That is my understanding.

* * * * *

Q. Referring to the opening journal entry, Mr. Tell, it starts out by saying, the National Brake & Electric Co. takes over from the Wisconsin Brake & Electric Co. all of its assets as follows, for which

it pays its capital stock of one million dollars and agrees to make an issue of bonds to be known as its 25 year 5% sinking fund
 150 gold bonds to the amount of \$500,000, and to bear date as of July 1, 1906, as per resolutions, etc. Does that refresh your recollection any as to whether those bonds were issued and owned by the Westinghouse Traction Brake Co., which was the owner of the entire stock of the Wisconsin Brake & Electric Co.?

A. I presume they were issued to the Westinghouse Traction Brake Co., but I am not absolutely positive, as I stated before.

Q. What is the connection between the stock ownership of the Westinghouse Traction Brake Co. and the Westinghouse Air Brake Co.?

* * * * *

Q. You understand it is controlled by the Westinghouse Air Brake Co.?

A. Yes, that is my understanding.

* * * * *

Q. How do you figure the actual cash expenditure of a million dollars?

A. I didn't do the figuring.

Q. Well, can you figure it?

A. As far as I know, they paid \$500,000 to the trustee and they paid some three hundred and odd thousand dollars for settling claims against the bankrupt company; buying up claims and attorneys' fees; so that the entire expenditure for acquiring the plant was somewhere around 812 or 813 thousand dollars, and they paid the other of approximately \$185,000. They gave us that to make it a million dollars actual cash.

* * * * *

Q. 474. What was your business, Mr. Tell, before the organization of the Wisconsin Brake & Electric Co.?

A. I was connected with the National Electric Co., and a trustee for that company, in bankruptcy.

Q. 475. For how long and in what capacity?

A. I had been vice-president and general manager from about Sept., 1902, until Dec., 1903. I was secretary and treasurer from that time on.

Q. 476. That is of the National Electric Co.?

A. National Electric Co.

Q. 477. That company was put into bankruptcy in the spring of 1905, was it not?

A. About May, 1905.

160 Q. 478. John I. Beggs was appointed first receiver, and then trustee in bankruptcy?

A. Yes.

Q. 479. What was your connection with Mr. Beggs. Did you operate the company under Mr. Beggs, or assist in operating it?

A. To a large extent, yes.

Q. 480. You were familiar with the transactions of the National Electric Co. and of the company's trustee and receiver in bankruptcy?

A. Yes, sir.

Q. 481. You knew of the existence of the patent to Christensen, No. 635,280?

A. Yes, sir.

Q. 482. And a license agreement between the National Electric Co. and Christensen?

A. Yes.

Q. 483. Is it not a fact that the National Electric Co. paid Christensen royalties under that license agreement?

A. Yes, sir.

* * * * *

Q. I think you said this morning that about \$120,000 of the \$500,000 of bonds of defendant company was paid off, and was not taken up by the gold notes. Who advanced the money for payment of those bonds?

A. I think the Westinghouse Traction Brake Co., but I am not sure.

Q. It was either that or the Westinghouse Air Brake Co.?

A. One of the two.

* * * * *

550 Q. Did you consider the Westinghouse Traction Brake Co. a competitor of the defendant company?

A. Yes, sir.

551 Q. Even though that company controlled the entire capital stock?

A. Yes, sir.

552 Q. Aside from the two that I have mentioned, the other competitors were the General Electric Company and the Allis-Chalmers Co.?

A. Yes, sir.

553 Q. What was the effect of competition on prices obtained for motor compressors from 1906 on?

161 A. The same as it had been before. It was a case of fighting for business.

554 Q. What was the result? Did prices raise or lower?

A. They naturally lowered.

555 Q. Quite materially?

A. Quite materially.

556 Q. What prices did you use to get for AA1 compressors when you were with the Christensen Engineering Co.?

A. I don't know what we got for compressors. I have a recollection what we got for an equipment.

557 Q. What did you get for an equipment?

About \$285 average.

558 Q. What would be the average price you got for that same equipment with the National Electric Co.?

A. With the National Electric Co. I think it went down as low as \$250 in the latter part of the National Electric Co.

559 Q. With Mr. Beggs as trustee, what would be the average price you obtained for that same equipment?

A. I don't know what we got for AA1's but we got for AA4's, which was a larger size, which was brought out in the meantime, and became the same standard size, we got as low as \$240.

560 Q. AA4 came out at that time?

A. AA4 was brought out in 1904.

561 Q. That was considerably larger than AA1?

A. Yes, it was nearly 50% larger practically 50% larger.

562 Q. What would be the average price for AA1 motor compressors and equipment as sold by the Wisconsin Brake & Electric Co.?

A. The same.

563 Q. That is \$240?

A. Yes.

564 Q. How was the price of that same equipment affected by the National Brake & Electric Co.?

A. We got the same price for the National compressors, the AA4, which is the same capacity, during 1906, and after that prices went down and nearly every proposition was a price-cutting proposition.

565 Q. How low did you go?

A. I think the two lowest propositions were with the Chicago Railways Co., where we went as low as I think it was \$163

162 for that equipment; and the worst of all was with the T. M.

E. R. & L. Co., Milwaukee, where I think we went as low as \$147.50, or about that.

* * * * *

Q. Commencing prior to 1911, how were your accounts with the Westinghouse Traction Brake Co. for compressors sold to them, treated on your books?

A. I don't know.

Q. Were they treated the same as any other customer, or were they treated on a different basis?

A. I don't know as we ever sold them.

Q. Did you have any special arrangement with that company after 1911?

A. Yes.

Q. What was that arrangement?

A. I don't remember the details of it any more except in a general way. But they took over the sale of our apparatus, that is as far as the sales management was concerned.

Q. Was there any written agreement between that company, or any letters evidencing any agreement?

A. I think there was.

Q. Was there any action of the board of directors taken in that connection, that you recall?

A. I don't remember.

Q. I will ask you if you will look at the directors' minutes for the 9th of Feb., 1911?

A. I don't know as I have got that here. This ends in 1910. We started a new record book after that.

Q. Will you produce the record book showing a meeting of the directors Feb. 9th, 1911, and any contract, either formal contract or by correspondence, that you may have, showing the arrangement made at or about that time, with the Westinghouse Traction Brake Co.?

A. Yes, sir.

Q. Isn't it a fact that at about that time you opened, on the books of the defendant company, an account known as the Westinghouse Traction Brake Co. trading account, pursuant to this arrangement?

A. Yes, sir.

Q. Do you know what became of that? How that account was operated?

A. No. I think you will find it all explained in that agreement.

Q. Will you also produce the books showing how the account was made up and what became of it? Whether it still appears on the books, or charged off, or whatever else became of it?

A. Yes.

* * * * *

Q. Mr. Tell, the capital stock of the defendant company was increased from one million dollars to two million dollars at some time, was it not?

A. Yes, sir.

Q. Do you know when that was done?

A. No, I don't remember the exact date, or the year, even.

Q. That new stock was issued in payment of funds advanced by the Westinghouse Traction Brake Co., wasn't it?

A. Yes, sir.

Q. And paid for in that way?

A. Yes, sir.

* * * * *

Testimony Taken March 27, 1917.

Q. Isn't it a fact the defendant company sold motor compressors to the Westinghouse Air Brake Co. at cost.

A. Not that I know of.

Q. Referring particularly to compressors of the type known as M W 1, were they not sold to that company on the basis of cost during the year 1915?

A. I don't remember what they were billed at. It may have been that one or two of them—the first ones—that the cost was so high when shipped that I may have simply had them billed at shop

cost. But there has been no other understanding as far as they are concerned, other than we were supposed to bill on a basis of cost plus 25%.

Q. These sales would appear in this Westinghouse Traction Brake Co. trading account, to which Mr. Boyle has referred, until that account was closed out?

A. Yes.

Q. Mr. Tell, referring to your communication to the board of directors as appearing on page 16 of the second minute book, Plaintiffs' Exhibit 73, wherein you say that owing to the unusual and unfair competition that you have had, it has been necessary to take orders at less than factory cost and "the parties guilty of the senseless price cutting are no longer to be considered"

164 I will ask you to what parties or companies you referred by that phraseology?

A. The Allis-Chalmers Co.

667 Q. What did you mean by saying that they were no longer to be considered in Jan., 1911?

A. That they had done so little business, and found out that their policy of trying to cut business by cutting prices beyond all common sense had not been successful, and they had practically gotten to a point where they had stopped that sort of business.

668 Q. That is, you had practically eliminated them as a competitor?

A. I would say that; they are still a competitor.

669 Q. I said practically, as far as their making any large amount of sales. They were a negligible factor as a competitor about this time, when you said that they were no longer to be considered?

A. They had not made a success of the business, and we did not consider them as a strong factor. In fact we felt that the company itself, the men interested in the air brake end of it, were losing interest.

670 Q. That is, you felt that they were no longer a serious competitor in the air brake field?

A. Not from the standpoint of cutting prices.

671 Q. From the standpoint of competition?

A. No, I would not say that. The standpoint of senseless competition. They are still competitors today.

672 Q. Do you consider them as a serious competitor?

By Mr. Brown: Objected to as playing on words; trying to get some phrase or something that the plaintiff may use in some connection. I think the question is incompetent and immaterial.

By the Master: Mr. Tell was called as an adverse witness, and this is in a sense, a cross-examination.

By Mr. Brown: All that is pertinent here is the question to whom he referred in making that statement.

By the Master: Well, he may answer.

Exception by defendant.

A. That depends a great deal on how you look at it. They are

serious on every job they tackle, but they do not tackle many jobs any more; they are tired of the game apparently.

* * * * *

165 Said witness was called by the defendant and testified as follows:

* * * * *

Testimony Taken October 16, 1917.

X Q. 807. Was any resolution or other formal action taken on that matter by the directors?

A. I could not remember now whether there was or not.

X Q. 808. Your recollection is there was not?

A. We talked it over, Mr. Miller and some of the other directors, and by direction of Mr. Miller we didn't write off any depreciation. Whether there was anything said on the minute books of the company I don't know.

X Q. 809. That Miller is the Miller in whose name—(interrupting)—

A. He was president of our company at that time.

X Q. 810. And in whose name practically the entire stock stood, about whom you testified?

A. Yes, sir—John F.

X Q. 811. John F. Miller?

A. Yes, sir.

* * * * *

Testimony Taken January 28, 1918.

Q. 910. What types of motor compressors has the National Brake & Electric Company sold to or through the Westinghouse Traction Brake Company?

A. All the types it manufactures.

Q. 911. That was so prior to March, 1916, was it?

A. Yes, sir.

* * * * *

Testimony Taken January 29, 1918.

Q. 947. When you made this arrangement and at the beginning of 1911, what guided you in fixing the price to the Westinghouse Traction Brake Company?

A. I don't know as I understand the question.

Q. 948. I am asking you with reference to the difference between the price that you had made to your customers and the price which you made to the Westinghouse Traction Brake Company, and how you came to fix the price you did to the Westinghouse Traction Brake Company—what relation that bore to

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the previous selling price in which the defendant had included selling expenses?

A. The whole arrangement, as outlined in my letter to the Board of Directors of the National Brake & Electric Company, in January, 1911, was made for the purpose of giving the National Brake & Electric Company more positive assurance of profits, and, as competition, especially in the air brake field, had been most severe. I suggested by combining the National sales offices with Westinghouse National Brake Company's sales offices, and letting the latter company handle all of our sales at their own expense, and sell our apparatus to the Traction Brake Company at a fixed price, that we would be greatly benefited by such an arrangement.

Q. 949. How does the price which was fixed to the Westinghouse Traction Brake Company, plus your experience with selling expenses, compare with the result which you had secured prior to this arrangement?

A. I figured that the arrangement made would net us more money than we would get if we would continue to sell our own apparatus, keep our sales department, and try to get business on the competitive prices that were being made, and the fact has been borne out by the results of some five years' experience.

Q. 950. Are you continuing that arrangement now?

By Mr. Quarles: Objected to as immaterial, being after the close of the accounting period.

By Mr. Brown: The accusation is made that one purpose was to take away from the plaintiff herein profits that were belonging properly to the plaintiff, and if the arrangement is being continued at the present time, when there is no claim on the profits by the plaintiff, it is evidence that is not the reason.

By the Master: Objection overruled.

Exception.

A. The plan has been continued. The Westinghouse Traction & Brake Company are selling all of our compressor products. There have been certain modifications in the last year, however, due to the enormous increase in the cost of production.

Q. 951. What was the relation of the National Brake & Electric Company to the Westinghouse Traction Brake Company in collecting the accounts for the sales of apparatus under this arrangement?

A. It acted as agent for the Westinghouse Traction Brake Company.

By Mr. Quarles: I move that the answer be stricken as a conclusion of law and not a statement of fact. There is no dispute to how things are conducted. We dispute the legal relationship.

By Mr. Brown: Relations of that sort in the business world are recognized and understood by all business men, and I submit it is proper for the witness to state what his understanding of the relation was.

By Mr. Quarles: I submit that he cannot testify that it acted

agent, or vendor or vendee, or debtor or creditor, which is merely a conclusion of law.

By the Master: Motion denied.

Exception.

Q. 952. What was done by the National Brake & Electric Company as to expenses, such as commission, freight, etc., in transactions under this arrangement?

A. All commissions and freight and gratuitous parts furnished for replacement were all charged to the Westinghouse Traction Company's trading account.

* * * * *

Q. 957. Please state what the effect of leaving this credit upon the books of the National Brake & Electric Company amounted to—as to whether or not it was, in effect, a loan to the defendant company?

By Mr. Quarles: Objected to—calling for a conclusion of law and not a statement of fact.

By the Master: Overruled.

By Mr. Quarles: Also leading.

By the Master: Overruled.

Exception.

A. It was in the nature of a loan because we didn't have the money to pay what we owed on the account.

Q. 958. Please explain, if you can, the way in which this balance which appeared under the Westinghouse Traction Brake Company's trading account, in 1916, was taken off the books of National Brake & Electric Company?

168 By Mr. Quarles: I submit, if the court please, that has all been gone into—entries have been offered.

By the Master: Witness may answer.

Exception.

A. We were advised by the comptroller of Westinghouse Traction Brake Company and the Westinghouse Air Brake Company that by action taken by the directors of these two companies they had decided to cancel their claims against us, which were partly for money loaned by both companies and also the amount we owed the Traction Company on the trading account.

Q. 959. What was the total amount credited to the defendant company by the Westinghouse Traction Brake Company at that time?

A. It was about \$635,000.

- 169 *From the Testimony of Walter J. Richards, a Witness Called by the Plaintiffs in said Accounting, Taken at Milwaukee, Wisconsin, December 8, 1916, as follows:*

X Q. 385. What is the means employed in the M W 1 compressor for excluding dirt?

A. The motor is made of the so-called enclosed type; that is, its construction makes the motor inherently enclosed. The back end of the motor is formed by the end of the crank chamber, and is formed up tight against a rib, thereby entirely shutting off the back end of the motor. The motor frame itself is made solid so as to give no openings in the same. The front end of the motor is enclosed by means of a close-fitting door. I misunderstood your question, having interpreted the question to refer solely to the motor. What I have stated stands as relates to the motor. As relates to the compressor, the back pressure vent is formed by a cored passageway which leads up along one end of the compressor, thence into the plate covering the compressor, thence downward where the back pressure vent air can impinge against the oil surfaces of the compressor, thereby depositing the oil that is held in suspension. The air being reflected, passes upward through a continuation of the cored passageway and thence downward and between the two cylinders to the valve head connecting in at the suction port. This air is consequently drawn into the suction, to be again acted upon by the piston.

X Q. 389. Is that the construction which you say that you is vented? I have reference to the vent which you have just described.

A. It is.

- 170 *From the Testimony of H. H. Westinghouse, Taken at Westmerding, Pennsylvania, December 13, 1917, a Witness Called by the Defendant in said Accounting as follows:*

Q. 7. Just refer to the patent and give the number and date of it.

A. There was issued to me, in 1881, a patent for a steam engine covering the essential features inquired about; and the number of this patent is 240,482.

A. (con.) Also a patent to H. H. Westinghouse and R. W. Bailey was issued on October 20th, 1891, No. 461,779, having the characteristic features set forth in the question.

A. (con.) And there was issued to H. H. Westinghouse and I. M. Herr, as co-inventors, under date of June 7, 1904, No. 761,733, patent for a combined pump and motor, which also embodied the features inquired about in the question.

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Q. 13. Please refer to the Westinghouse and Bailey patent, which you have already mentioned, and say whether or not the apparatus that you have reference to, that was installed in 1889 for the C.

tral Traction Company, is substantially that shown and described in that patent.

A. The general construction and design accords with the illustrations of the patent, except with respect to the manner of driving the compressor. As I have before testified, the means employed were gear wheels, one of which was located on the car axle, and the other on the compressor shaft. In the patent, the method of driving illustrated is by means of grooved friction wheels. The method of pressure-regulating, while accomplishing the same result, is of a different order from the one that was actually used in practice.

* * * * *

Q. 22. When did the Westinghouse Traction Brake Company begin to manufacture and sell air brake equipment for surface cars, and how extensively and widely known has that business been?

Question objected to by counsel for plaintiffs as incompetent, irrelevant and immaterial.

By the Master: I assume that that is offered as bearing on the question of damages?

By Mr. Brown: Yes.

171 Objection overruled.
Exception noted to plaintiffs.
(Question read.)

A. The Westinghouse Traction Brake Company has never manufactured brake apparatus, but they engaged in its sale—in its introduction and sale immediately succeeding its incorporation. The business has assumed large proportions and has extended over the entire country. The company is regarded as one of the principal suppliers of brake apparatus of the type which it is engaged in selling.

Q. 23. Please state, if you know, what type of Motor Compressor was first introduced and sold by the Westinghouse Traction Brake Company.

(Pamphlets handed witness.)

A. The type shown in the catalog of the Westinghouse Air Brake Company describing "Motor Driven Duplex Air compressor" copyright date 1900.

* * * * *

Q. 29. Will you please give a brief statement of the history of the purchase of the National Electric Company by the Westinghouse Traction Brake Company?

A. The Westinghouse Air Brake Company had been solicited by parties interested in or controlling the National Brake & Electric Company to purchase the company, but the terms upon which it could be acquired were never attractive, or of a character to lead to

any arrangement for the acquisition of that property. When the affairs of the National Brake & Electric Company became——

Q. 30. Excuse me, that is the National——

A. National Electric Company—became involved and the property passed into the hands of a Trustee, the subject was again brought to our attention through Mr. Samuel McMunn, who stated that he was in a position to carry on negotiations for the purchase of property upon terms that he thought we would find attractive. As a result of his presentation of the matter, the Westinghouse Air Brake Company authorized an investigation of the condition of the company and ascertain terms upon which it could be acquired, and then purchased it from the Trustee.

* * * * *

Q. 33. If you at any time had a conference with Mr. Christensen subsequent to the negotiations that you have referred to, 172 please state when this was, and who were present, and what the substance of the conversation that you had at that time

was.

A. At approximately the time when the purchase of the property of the National Electric Company from the assignee was completed, about March 30th, 1906, I had a meeting with Mr. Christensen at the Hotel Pfister in Milwaukee, at which there were also present his counsel, Mr. E. H. Bottum, and Mr. John F. Miller, vice president of the Westinghouse Air Brake Company. At that meeting, we discussed with Mr. Christensen and Mr. Bottum the question of some arrangement whereby we might continue to manufacture under the several patents owned by Mr. Christensen. The general result of this conference was an offer on our part to make an arrangement upon a specified basis, which we considered to be one that we could afford to enter into. This proposition made by us was taken under consideration by Mr. Christensen, but was not accepted.

Q. 34. Did you, subsequent to the time of this interview with Mr. Christensen, receive a letter from Mr. Bottum relating to the matter discussed?

A. I did. At this meeting I requested him to write me giving the numbers and titles of patents owned by Mr. Christensen relating to the air brake art, pointing out their scope in a general way. In response to this request, he wrote, giving the desired information and also his understanding of the proposition submitted by us to Mr. Christensen for the use of his patents at the conference already referred to.

Q. 35. I call your attention to Plaintiff's Exhibit 25, found on page 66 of the typewritten record in the suit of Christensen vs. Westinghouse Traction Brake Company, in the United States District Court for the Western District of Pennsylvania, and ask you whether this is a copy of the letter which you have just referred to—(handing record to witness).

A. It is.

Mr. Brown: I ask that the letter referred to be copied into the record at this point.

Mr. Quarles: We have no objection to this on the ground of its being a copy, but we do object, that it is incompetent, irrelevant and immaterial, and not within the issues of this case.

By the Master: The letter may be admitted.

Exception noted to plaintiffs.

The letter referred to is as follows:

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"April 5, 1906.

Mr. H. H. Westinghouse, c/o Westinghouse Air Brake Company,
Wilmerding, Pennsylvania.

DEAR SIR:

At your request we have gone over the Christensen patents embodied in the Christensen license for the manufacture of air brakes for electric cars only.

We understand that you wish an opinion in general form in relation to these patents and their subject matter without making it so prolix as a minute analysis of the several claims would necessitate. Nearly all of these patents were procured by us for N. A. Christensen and in presenting these applications to the patent office we became familiar with the state of the art in a large degree. In this opinion we give you our conclusions in distinction from giving the reasons upon which we have formed them.

The first patent is No. 625,540, May 23rd, 1899, covering among other things claims for an engineer's valve having handle removable in lap or neutral position only. This feature we consider novel and highly necessary in street car equipments.

Patent No. 727,252, dated June 20, 1899, pertains to automatic lubrication of the armature bearing in a combined motor and compressor. The claims are quite broad and full, and, in our opinion, cover the application of these features in any practicable combination.

Patent No. 635,280, dated October 17, 1899, is for a combined compressor and motor the claims of which cover broadly what we consider the leading features of a successful machine of this class.

Patent No. 644,128, dated February 27, 1900, relates to automatic controller for electric compressors, covered in thirteen different claims.

Patent No. 646,618, dated April 3, 1900, is in the nature of an improvement on Patent 625,540, with some additional features.

Patent No. 648,145, dated April 24, 1900, is for boxing or housing of an air compressor when suspended from a railway car and is covered by ten claims.

Patent No. 668,615, dated February 19, 1901, contains eight claims relating to combinations whereby a number of motor cars can be connected together and operated as one unit.

Patent No. 679,945, dated August 6, 1901, contains five claims wherein a separate reservoir is provided for blowing of

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a compressed air whistle without interfering with the operation of the brakes.

Patent No. 681,103, dated August 20, 1901, relates to a system of brake levers for railway cars in combination with hand brakes, air or power brakes.

Patent No. 692,362, dated February 4, 1902, relates to the same subject matter as Patent No. 568,613.

Patent No. 701,843, dated June 10th, 1902, relates to the same subject matter as Patent No. 644,128, and contains nine claims.

Patent No. 624,544, dated April 27, 1903, contains four claims and covers the construction of an electric brush holder for motors, comprising a simple, instantaneous adjustment of the brushholder tension.

We have cited above the various patents which, as we understand it, have thus far been used for air brake apparatus for electric cars by the National Electric Company or the Christensen Engineering Company.

Referring to our conference in this city of March 30th, as we remember your statements, you were unwilling to carry out any of the terms of the present Christensen licenses, but you were willing to enter into a new agreement whereby, for a period of two years, you would pay our client a royalty of \$3.50 each for AA1 compressors, and the larger sizes in the same proportion—use to be limited to air brake purposes only, with a minimum of \$10,000 in royalties per annum and a retainer to our client of \$2,500 per annum, as consulting engineer, subject to three months' notice of discontinuance of said contracts by either side, and also that you would not care to enter into any kind of arrangement for foreign countries except England upon similar basis as United States, and that you intended to divide the combined orders obtained by your Pittsburgh and Milwaukee shops, and that you did not intend to use the Christensen apparatus to any greater extent than in that proportion, but that you might perhaps use parts of the Christensen apparatus in both places.

We should be pleased to have your written confirmation of this proposition, in order to submit it to our client, who is, naturally, anxious to have a complete understanding and an amicable settlement as speedily as possible.

175 We expect you will be fair and just in this matter so that our client will feel rewarded for the earnest work bestowed on the development of his apparatus.

The writer has been extremely busy with court matters, hence this apparent delay in writing you. Please let us know whether our apprehension of your proposition is correct.

Yours very truly,

WINKLER, FLANDERS, SMITH,
BOTTUM & FAWSETT."

Q. 36. Please state whether an answer of this letter of Mr. Bottum's was made.

A. Yes.

Q. 37. Please look at Plaintiffs' Exhibit No. 26, in the record already referred to, and state whether that is a copy of the letter which you wrote at that time?

A. It is.

Mr. Brown: I ask that this letter also be copied into the record at this point.

Mr. Quarles: No objection.

The letter just above referred to is as follows:

"Letterhead of The Westinghouse Air Brake Company.

Copy.

NEW YORK, April 11, 1906.

For attention of Mr. Bottum:

Messrs. Winkler, Flanders, Smith, Bottum & Fawcett, Milwaukee, Wis.

GENTLEMEN:

Yours of April 5th received and noted, and I am much obliged to you for the information contained with reference to the Christensen patents.

Referring to the latter portion of your letter in which you relate your general understanding of our conversation, would say that it differs in some important respects from the impression I intended to leave. As our Vice-President, Mr. John F. Miller, expects to be in Milwaukee the latter part of this week, I have asked him to see you with reference to the matter in question.

Truly yours,

H. H. WESTINGHOUSE."

176 Mr. Brown:

Q. 38. Please state whether or not there were any further conferences between you and Mr. Christensen, or what further was done with reference to taking a license under the Christensen patents?

A. I had no further conferences with Mr. Christensen, but subsequently the National Brake & Electric Company made an arrangement with him for the right to complete the manufacture of certain machines under process of construction at the time the property was purchased.

Q. 39. Please state whether or not you heard further from Mr. Bottum or Mr. Christensen with reference to this matter.

A. We had no further communication from either of them relative to the proposition made at the Hotel Pfister conference previously referred to.

Q. 40. What was the next information that you had with reference to the matter of the licensing by Christensen to any one under his patents?

A. We were advised that he had made an arrangement with the

Allis-Chalmers Company to manufacture motor-driven compressors under his patents.

* * * * *

Q. 54. Please state what steps, if any, you took to determine the question whether or not there was infringement of the Christensen patent by the type of compressor which it was decided that the National Brake & Electric Company should manufacture.

Mr. Quarles: To what date is that question directed, Mr. Brown?

Mr. Brown: Any date subsequent to the time that this was submitted in this Wilmerding meeting.

Mr. Quarles: It seems to me that it is immaterial. It may be that that has been covered, however, by Mr. Wright's testimony.

Mr. Brown: Mr. Wright's testimony in the main case, you mean?

Mr. Quarles: Yes, page 194.

By the Master: Any objection to it now?

Mr. Quarles: If that is what it is directed to, no.

(Question read.)

A. After definitely deciding the type we desired to make, it was submitted to our chief counsel, Mr. Bakewell, and also to Mr. Bell—

Mr. J. Snowden Bell—and to Mr. Wright, for consideration
177 and to report as to our right to make that particular form without infringing upon any one's rights. I recall that in this case we exercised particular care—as in following a course that was our uniform practice in dealing with matters of this kind. We were desirous of avoiding any basis for a conflict with Mr. Christensen.

Q. 55. Please state generally what the opinions of the counsel you consulted were upon this point.

Mr. Quarles: Objected to, as immaterial, and, if the opinions were in writing, as not the best evidence.

Objection sustained.

Exception noted to defendant.

Q. 56. Please state whether or not the opinions you refer to that you received from these counsel were in writing.

A. To the best of my recollection, they were.

Q. 57. Please state whether or not you felt warranted, in view of the opinions you received, in directing the manufacture of the compressor referred to.

Mr. Quarles: Objected to, as immaterial and irrelevant, as to what was in this witness's mind at the time; the sole question for us is as to what was done by the defendant. The question of wanton infringement is the one that is under consideration. Also, as no foundation for the question, as the opinions have not been produced.

Objection overruled.

Exception noted to plaintiffs.

(Question read.)

A. I did.

Q. 58. In the interview with Mr. Christensen and Mr. Bottura at the Pfister Hotel, on March 30, 1906, was there any suggestion that the apparatus made by the Westinghouse Air Brake Company and sold by the Westinghouse Traction Brake Company was an infringement of the patent here in suit?

Objected to by counsel for plaintiffs, as immaterial and not within the issues of this case, and not referring to the defendant company in any wise, or anything that it manufactured.

Objection overruled.

Exception noted to plaintiffs.

A. No.

* * * * *

178 XQ. 82. Did you consider the National Brake & Electric Company, the defendant in this case, a competitor of either the Westinghouse Air Brake Company or Traction Brake Company on and after 1906?

A. We considered the National Brake & Electric Company as supplying a field, and a type of machine, in which the apparatus furnished by the Traction Brake Company was not found as marketable as that of the National Company.

X Q. 83. And that relationship still continues true, or did up to 1916?

A. To a limited extent.

* * * * *

Q. 141. Please state, if you know, whether any suit had been begun by Christensen or his licensees against a user of Westinghouse Air Brake Company apparatus prior to 1906; and, if so, on what patent or invention was this suit brought?

A. Christensen brought action against the Chicago Elevated Railway for infringement of a balancing wire patent used in connection with apparatus supplied by the Westinghouse Air Brake Company. The date of that suit I am not quite sure of, but I think it was in 1904.

* * * * *

X Q. 110. Will you refer to the last page of that catalog or bulletin? There is a list of affiliated companies given, which, I notice, does not contain the defendant, the National Brake & Electric Company. It is a fact, is it not, that that company was not generally advertised to the trade as being an affiliated with either the Westinghouse Air Brake Company or the Westinghouse Traction Brake Company?

A. I do not recall that it was so advertised.

179 *From the Testimony of John F. Miller, Taken at Wilmerding, Pennsylvania, December 14, 1917, a Witness Called by the Defendant in said Accounting, as Follows:*

Q. 3. Are you familiar with the transaction which resulted in the ownership of the Wisconsin Brake & Electric Company and the National Brake & Electric Company by the Westinghouse Air Brake Company?

A. Yes, sir, quite familiar.

Q. 4. I will ask you to give a history of this transaction, and also of the policy of the Westinghouse Air Brake Company in its control of the National Brake & Electric Company since the purchase of the latter property. I will call your attention to the letter written by you to Mr. Westinghouse under date of September 29, 1917, a copy of which has been furnished to counsel for plaintiffs, and suggest that you make such use of that in your answer as you see fit.

Mr. Quarles: I object to the portion of the question which has to do with the policy of conducting the business of the defendant company as immaterial.

Mr. Brown: I think it is material, if the Court please; the matter has been brought out or questioned by counsel for plaintiffs in different ways. The question is intended to elicit substantially the information contained in this letter, which refers to the Westinghouse Traction Brake trading account, which is a part of the policy of this company, and which can be discussed by the witness directly in answer to this question.

Mr. Quarles: It seems to me the question is too broad.

By the Master: It is a pretty general question, but I will overrule the objection and take the answer.

Exception noted to plaintiffs.

A. In the winter of 1905 and 1906 or the early spring of 1906, we were approached by a Mr. McMunn, who advised us in respect to the financial difficulties of the National Electric Company, at that time in the hands of Mr. John I. Beggs, as Trustee in Bankruptcy, and urged upon us the desirability of securing this property by its purchase, when sold under the bankruptcy proceedings.

180 The matter was thoroughly considered and discussed by the manager of the Air Brake Company, and, after a time, it was agreed that if it could be secured at a fair price we would undertake to do it. In connection therewith, accounts or claims against the National Brake & Electric Company were purchased to the amount of \$738,225.83, and, on March 26, 1906, the assets of the National Electric Company were purchased from John I. Beggs, Trustee in Bankruptcy, by Charles L. Sullivan, of Chicago, acting on behalf of the Westinghouse Air Brake Company. The accepted bid for the property was \$500,000, and this amount was paid by the Westinghouse Air Brake Company by two drafts drawn by the East Pittsburgh National Bank of Wilmerding, Pa., one to the order of John I. Beggs, Trustee, for \$475,000, and one to the order of Fidelity Trust Company of Milwaukee for \$25,000. A charter was

ured under the laws of Wisconsin, under the name of Wisconsin Brake & Electric Company, and title to the property was taken by the Wisconsin Brake & Electric Company. The National Brake & Electric Company, likewise a corporation of Wisconsin, was subsequently incorporated with a capital stock of one million dollars, and transfer of the property was made from the Wisconsin Brake & Electric Company to the National Brake & Electric Company.

Q. 5. Will you please proceed with the answer? State what steps were taken to provide the National Brake & Electric Company with working capital.

A. To provide the National Brake & Electric Company with necessary working capital, they were given a credit on the books of the Air Brake Company of \$185,000, which amount was, in due course, paid to the National Brake & Electric Company and charged against our investment. The Air Brake Company also purchased venture bonds issued by the National Brake & Electric Company to the sum of \$500,000, paying the full par cash value thereof.

Q. 6. What, then, was the amount of cash invested by the Westinghouse Air Brake Company in the National Brake & Electric Company for the property which that company was organized to take over?

Mr. Quarles: That is objected to, as incompetent, irrelevant and immaterial; the sole question being that we contend what was invested in the assets of the National Brake & Electric Company, exclusive of any money that was used to buy up claims to control the bankruptcy proceedings.

Objection overruled.

Exception noted to plaintiffs.

A. As explained in the previous answer, the accepted bid for the property—for the assets of the National Electric Company was \$500,000, paid in cash. The claims purchased amounted to \$738,25.83. Legal and other expenses charged against the transaction aggregated \$10,381.53; making a total expenditure for the purchase of the property and of the claims of \$1,248,607.36. In settlement of the claims purchased and held against the National Electric Company, in the final distribution of proceeds made by the Trustee in Bankruptcy, the Westinghouse Air Brake Company received \$431,045.57; by which the net cost of the assets of the National Electric Company to the Westinghouse Air Brake Company was reduced to \$817,561.79.

Q. 7. Please explain a little more fully the reasons for buying up the claims that you have spoken about, and say whether or not this was acquired in order to make the purchase of the assets of the bankrupt.

A. It appeared to be the best way to proceed in the purchase of the assets of the National Electric Company, to secure a large proportion of the outstanding claims against the company which could be used practically in the purchase of the assets at the sale in bankruptcy. The amount secured for the property at the sale, of course, controlled entirely the amount which was distributed against the

claims. Had the property been sold for a larger amount, we would have received a proportionally larger amount on the amount of claims we held, or, if it had been sold for a less amount, we would have received a less amount.

Q. 8. Will you please state what the amount of capital stock of the National Brake & Electric Company was placed at when the company was organized, and the basis for reaching the figure you will mention?

A. The authorized capital stock of the National Brake & Electric Company was one million dollars, and the authorized issue of debenture bonds was \$500,000. To provide the National Brake & Electric Company with necessary working capital, the Air Brake Company supplied \$185,000; by which its investment was increased to \$1,002,561.79—I don't know that I got that question exactly; it seems to me I have given this before; and I don't want to repeat.

182 Q. 9. I will ask another question. What did the \$500,000 of debenture bonds represent?

A. Actual cash paid for those bonds by the Westinghouse Air Brake Company.

Q. 10. You are an officer of the Westinghouse Traction Brake Company, are you not?

A. Yes, sir, Vice-President.

Q. 11. Will you please state when that company was organized and the object of its organization?

A. The company was originally organized as the Standard Traction Brake Company, under the laws of New Jersey, on April 28, 1901. The name was changed to Westinghouse Traction Brake Company on December 1, 1902. It was organized to carry on that part of the business of the Westinghouse Air Brake Company which is directly concerned with equipment for traction or electrically operated railways, as contrasted with steam railways.

Q. 12. What control has the Westinghouse Traction Brake Company had of the National Brake & Electric Company since the latter company was organized.

A. The capital stock of the National Brake & Electric Company was owned by the Westinghouse Air Brake Company from the date of the incorporation of the National Company until July 31, 1911, when it was then transferred to the Westinghouse Traction Brake Company by a proper entry on the books of both the Air Brake Company and the Traction Brake Company. The essential reason for that transfer lay in the fact that the Westinghouse Traction Brake Company was engaged in the sale of traction brake apparatus which was manufactured partly at Milwaukee and partly at Wilmerding. At that time it was thought that we might eventually incorporate or consolidate the Westinghouse Traction Brake Company and the National Brake & Electric Company so that the Westinghouse Traction Brake Company would have its own manufacturing plant, and naturally that arrangement would be more easily consummated by having the stock of the National Brake & Electric Company owned by the Westinghouse Traction Brake Company, although essentially it made no difference

at all, since the capital stock of both companies was owned entirely by the Westinghouse Air Brake Company.

Q. 13. You have been President of the National Brake & Electric Company for a considerable time, since that company was organized, have you not?

A. From November 15th, 1910, to February 27th, 1917, I
183 was continuously the President of the National Brake & Electric Company.

Q. 14. Will you please give a list of the officers and directors of the National Brake & Electric Company since its organization?

A. From organization until November 15th, 1910, Mr. Charles L. Sullivan of Chicago, was President of the National Brake & Electric Company; and its Board of Directors were Messrs. Charles L. Sullivan, George P. Miller, of Milwaukee, Paul J. Myler, vice-president at that time of the Canadian Westinghouse Company, E. L. Adreon, at that time vice-president of the American Brake Company of St. Louis, and R. P. Tell, of Milwaukee. On November 15th, 1910, the following Board of Directors were chosen: Messrs. E. L. Adreon, R. P. Tell, Paul J. Myler, A. L. Humphrey, and John F. Miller. On October 29th, 1912, Mr. H. H. Westinghouse was chosen a director in place of Mr. Paul J. Myler, resigned. In 1913, the number of Directors was increased from five to seven, and the following members were elected: Messrs. H. H. Westinghouse, A. L. Humphrey, John F. Miller, E. L. Adreon, R. P. Tell, W. S. Bartholomew, who
was at that time the Western Manager of the Westinghouse Air Brake Company, and R. F. Emery, secretary and treasurer of the Westinghouse Air Brake Company. After Mr. Adreon's death, Mr. C. J. Olmstead, named the Western Manager of the Westinghouse Air Brake Company, was chosen a Director, on January 29th, 1914. Since the last-mentioned date, there has been no change in the company's directors. On February 27th, 1917, Mr. R. P. Tell was elected President of the National Brake & Electric Company, John F. Miller resigned. I was then elected Vice-President; so that the present officers of the company are: President, R. P. Tell; Vice-Presidents, John F. Miller and A. L. Humphrey; Secretary and Treasurer, W. K. Boyle; Assistant Secretary, R. F. Emery.

* * * * *

Q. 16. In February, 1911, an arrangement was made between the Westinghouse Traction Brake Company and the National Brake & Electric Company, as appears from the evidence herein, with reference to the sale of apparatus made by the National Brake & Electric Company through the Westinghouse Traction Brake Company. Who directed that arrangement?

A. I was responsible for it.

184 Q. 17. Plaintiffs' counsel have charged, with reference to this arrangement, that it was fraudulent, with the design of evading the tax of the state of Wisconsin and of defrauding Christensen, one of the plaintiffs herein, in connection with the profits upon apparatus that has since been found to infringe a patent of

Christensen. Will you please state the reason for making this arrangement?

A. The arrangement was made solely for the benefit of the National Brake & Electric Company in the effort to increase the net earnings of that company, which had not been satisfactory. Prior to 1911, both the Traction Brake Company and the National Brake & Electric Company maintained their own sales departments, with separate offices in the larger cities. It seemed to me that a saving might be made and the profits or net earnings of the National Brake & Electric Company increased by reducing, as far as possible and expedient, the expenses,—the aggregate expenses of both companies. The most practical way of accomplishing this result was to abandon the duplication of offices and sales expenses. To this end, the Westinghouse Traction Brake Company undertook to do all the selling, relieving the National Brake & Electric Company from all selling expense, closing the separate offices in the various cities, and thus combining the sales force. The practical result was that the National Brake & Electric Company confined itself to the manufacture of the apparatus and avoided the expense of selling it, which, as indicated, had been in some measure a duplicate expense. As can be shown by the accounts of both companies, both the Traction Brake Company and the National Brake & Electric Company, this plan was successful in reducing the double expense of the two companies and, in that way, reduced the expenses and increased the net earnings of the National Brake & Electric Company. I have not the figures at hand, but I made an investigation of it in 1916, and satisfied myself that the amount of saving effected thus increased the net earnings of the National Brake & Electric Company in the five year period by not less than \$80,000.

It might be pertinent to explain here that, in a sense, the National Brake & Electric Company was my baby. I had induced our Board of Directors to expend a large sum of money in the extension of the plant at Milwaukee and provide additional facilities, in the hope of making it a paying proposition, and I naturally used every possible means at my disposal to make a reasonable showing for the company, and in a number of transactions, I have favored the National Brake & Electric Company at which seem to be the expense of the parent company. I certainly had no other object in view in this transaction, or any other that I have been responsible for.

Q. 18. Were you present at an interview in Milwaukee at the Pfister Hotel, at which Mr. Christensen and his attorney, Mr. Bottom, as well as Mr. H. H. Westinghouse, were present?

A. I was.

Q. 19. Will you please state briefly the substance of the discussion at that meeting?

A. The purpose of the conference was to ascertain if it were possible to negotiate an arrangement with Mr. Christensen whereby the National Brake & Electric Company would continue—or, as was at that time, the Wisconsin Brake & Electric Company—would continue to manufacture various types of compressors and other

apparatus previously manufactured by the National Electric Company, under Mr. Christensen's license, provided an arrangement could be made at what we considered a proper and reasonable cost.

Q. 20. And was any arrangement concluded at that conference?

A. No; at that conference, a proposition was made to Mr. Christensen and his attorney, which was taken under advisement by them.

Q. 21. Was any answer ever made, so far as you know, by Mr. Christensen or his attorney to that proposition?

A. Not to my knowledge.

Q. 22. What was the next that you knew about the arrangement with Mr. Christensen?

A. I was advised that Mr. Christensen, not being satisfied with the proposition that we had made him, had arranged to grant a license to the Allis-Chalmers Manufacturing Company, of Milwaukee, for the manufacture under his patents.

Q. 23. What was the date of this conference that you have referred to at the Pfister Hotel with Mr. Christensen and his attorney?

A. I believe it was March the 30th, 1906.

Q. 24. About what time were you again in Milwaukee?

A. About the 15th of April, 1906.

Q. 25. At that time, did you have another interview with Mr. Christensen?

A. I did.

Mr. Quarlee:

186 Q. 26. Was that April 30th?

A. About the middle of April, about the 15th of April.

Mr. Brown:

Q. 27. What did you discuss with Mr. Christensen at that time?

A. With Mr. Christensen and Mr. Bottum—I think the larger part of the negotiations was through Mr. Bottum. We desired to secure an arrangement under which we could complete the manufacture of Christensen type of compressors which were then in course of manufacture, amounting, I think, to about one hundred equipments, which orders had been accepted and had been partly manufactured.

Q. 28. This was the agreement of April 18th, 1906, which has been introduced in evidence?

A. Yes, sir.

Q. 29. When the National Brake & Electric Company embarked in the business of making the motor compressors which are involved in this suit, please state what steps were taken to satisfy those in control of the company that there would be no infringement of patent rights?

Objected to by counsel for plaintiffs, as immaterial.

Objection overruled.

Exception noted to plaintiffs.

A. There was a full explanation made of the plans under which we proposed to operate and the compressors which we proposed manufacture to the various patent counsel of the company, in an effort to avoid any possible infringement of anyone's rights. That has always been the policy of the Westinghouse Air Brake Company; in something like forty-seven years of business, I think that is the first infringement they have defended.

X Q. 106. Was the defendant company considered a competitor of the Traction Brake Company in the traction brake business since 1906?

A. I don't think so.

X Q. 107. Is it entirely owned and controlled by the Air Brake Company and Traction Brake Company, and for that reason you would not consider it a competitor?

A. Not in the sense of being a company in other hands, but they have been competitive in the sense that we always put the selling force of one company up against the selling force of the other company, in an effort to see which would get the best results.

X Q. 108. And the public was encouraged to look upon them as competitors, was it not?

A. No effort was made to encourage them in that belief.

X Q. 109. Or to discourage them?

A. Or to discourage them.

X Q. 110. It was not customary to list it in your list of affiliate companies in publications, I suppose?

A. I believe not.

188 *From the Testimony of W. K. Boyle, Taken at Milwaukee, Wis., a Witness Called by the Plaintiffs in said Accounting, as Follows:*

Testimony Taken March 26, 1917.

Q. There has been some question raised here as to the way sales were handled after the 9th of Feb., 1911, when an arrangement was made between the defendant company and the Westinghouse Traction Brake Co. Mr. Tell was asked to produce the contract between the companies. Have you that contract with you?

A. The wording of that contract is in the minute book. That is not the contract; it is the wording of an agreement or arrangement—we will say an arrangement entered into.

Testimony Taken March 27, 1917.

Q. We were speaking yesterday of the arrangement with the Westinghouse Traction Brake Co., and I think we referred to the minute book. Is that here?

A. Yes, sir. (Produces same.)

By Mr. Quarlee: I offer from the second minute book of defendant Company the following, appearing upon page 16 thereof, being part of the meeting of the board of directors of defendant company, held Feb. 9th, 1911.

"The following communication was presented:

MILWAUKEE, WIS., January 3rd, 1911.

Board of Directors, National Brake & Electric Co., Milwaukee, Wisc.
GENTLEMEN:

The unusual and unfair competition that we have encountered in the past 4 years in the sale of our air brake apparatus and compressors has brought about a general reduction of prices and at times it has become necessary to take orders at less than factory cost.

Although we have been successful in maintaining our position in the air brake field, and the parties guilty of the senseless price cutting are no longer to be considered, there is a possibility of this situation continuing on account of the recent price cutting on the part of another competitor, which would simply mean that in order to maintain our position we would have to meet reduced prices and without any hopes for deriving any profits from our air brake and compressor products for probably a considerable period.

It has been suggested that we make an arrangement with the Westinghouse Traction Brake Co., whereby, in consideration of this company turning over the control of its sales department to them, they will take our output of air brakes, air compressors, and repair parts therefor, on a basis of factory cost plus 25%; in addition thereto, they to reimburse us for all the expenses of our sales department and its employees, and a further fixed amount of \$1000 per month to be spent by us for advertising purposes.

Our sales department and sales offices to be continued in our name, but under the complete control and direction of the Traction Brake Co. and its respective district manager.

This proposed arrangement to include any arrangement that may be made with the Westinghouse Electric & Manufacturing Co. for the handling of our air brake apparatus on combined bids, and also any existing arrangements for the sale of National Apparatus with agents on commission basis.

Traction Brake Co. to have privilege of selling National air compressors for portable or stationary work, and also air brake apparatus in connection with other parts of traction Brake Co.'s air brake apparatus.

All orders taken by National sales organization are to be shipped and billed by National Company, and collections of such accounts

to be made by National Co. Traction Brake Co. to be credited with net proceeds of such sales.

All National apparatus sold by Traction Brake Co. to be purchased through their purchasing department and billed to same at our lowest selling prices, and amount received by us to be credited to Traction Brake Co.'s account.

Traction Brake Co. will be charged at factory cost plus a percentage covering commercial expenses, fixed charges and profits, of 25% for all shipments made by National Co. consisting of air brake apparatus, air compressors and all repair parts therefor.

Traction Brake Co. will also be charged for all expenses of salesmen and sales offices as per accounts to be approved by respective district manager of Traction Brake Co. Traction Brake Co. will also be charged \$1000 per month for advertising.

It is furthermore understood that any employee of the National Co. not employed in the sales department, can be called upon at any time by Traction Brake Co.'s district managers to assist in selling National apparatus, in which case his expenses for the time being will be charged to Traction Brake Co.

This proposed arrangement would enable our company to maintain its position in the air brake field without danger of operating at an actual loss due to the unusual competitive conditions existing in the air brake field, and would insure us a safe return and profit on our manufacturing costs, and I would recommend that same be made at an early date.

Trusting this will meet with your approval, I am

Very truly yours,

R. P. TELL,
General Manager.' "

The plan outlined in the foregoing letter of vice-president and general manager Tell was given careful consideration and, upon motion, duly seconded, the recommendations contained therein were unanimously approved by the board, and the general manager was authorized to execute any contracts necessary to carry the same into effect.

Q. After that arrangement referred to in that communication, Mr. Boyle, how were the sales accounts handled on the books of the defendant company?

A. As stated in there, with few exceptions.

Q. Sales are first entered in the sales book, are they not?

A. Yes, sir.

Q. And the total sales from the sales book, less any returns, would be credited to what account?

A. We had our trading account; what we called trading account.

Q. What was the full title of that account?

A. It was trading account.

Q. You have it here; suppose you refer to it.

A. Yes, we changed it from time to time. We called it trading account at the start. It was called trading account to August 1st, 1914, and then from that time on it was just trading account sales.

Q. Wasn't there a Westinghouse Traction Brake Co. trading account?

A. Those were not our sales. These are our sales.

191 Q. What is contained in the Westinghouse Traction Brake Co. trading account.

A. The billing to the customer.

Q. Will you refer to that account, please?

A. Here it is.

Q. Does that continue under that name?

A. That continues up until the same time. We split it into sales and costs, beginning Aug. 1st, 1914.

Q. That is account #51?

A. Yes.

Q. How were items handled in that account? When goods were sold were they charged to the purchaser and credited to this account?

A. Yes.

Q. And that account would show the total sales price as per sales book, less returns, if any?

A. That would have to be worked out. That account included costs and sales, you see, for a certain period of time.

Q. What do you mean by costs and sales?

A. We bill the Westinghouse Traction Brake Co. for what we considered our costs to them against their sales. That is these were their sales; not our sales.

Q. That is, these were sales that they made of apparatus that you manufactured?

A. Yes, sir.

Q. Let us take a concrete example; suppose you make a compressor which they sell to John Smith. How was that handled on your books?

A. We kept the account for them in the name of John Smith.

Q. That is, you charged John Smith with the sales price?

A. We charged John Smith for them; for the Westinghouse Traction Brake Co. Then that amount was credited to them in the Westinghouse Traction Brake Co. trading account.

Q. So that the compressor would be charged to the purchaser at sales price, and that amount credited to the Westinghouse Traction Brake Co. trading account?

A. Yes.

Q. That was the way these sales were handled after the opening of this account, while it was in force?

A. Yes.

192 Q. How were collections made of these accounts that were charged to the customer and credited to this Traction Brake Co. trading account?

A. We handled the collections for them.

Q. How were the entries made when the money was collected?

A. Charge cash, credit the customer's account; their customer's account.

Q. Was the money turned over to the Westinghouse Traction Brake Co.?

A. Not at the time.

Q. Was it ever?

A. The equivalent was.

Q. What do you mean by the equivalent?

A. By the way the net amount of the account was finally handled.

Q. The net amount of the account would be the selling price less cost, plus percentage and sundry payments on account, wouldn't it? That is what is shown by this Westinghouse Traction Brake Co. trading account, is it not?

A. Yes.

Q. Is it a fact that there were somewhere in round numbers around \$20,000 of payments on account, isn't it?

A. I think it shows in the book.

Q. Will you find out what the amount is? Possibly I can help you by giving you some dates. March 31st, 1914, I think there was an item of \$27,750.

A. And August 31st, 1914, an equivalent of \$1100, yes.

Q. Are there any others?

A. That is all.

Q. That item of \$27,750, what was that?

A. It was the balance of the amount from issue of gold notes. After liquidating balance of gold notes, a balance due Westinghouse Traction Brake Co. on loans as of 2-28-14.

Q. That was the balance due the Traction Brake Co. on readjustment of gold notes. Is that correct?

A. Yes.

Q. And the item of \$1100? What was that?

A. That was some notes that we held of the St. Louis Car Co. that they took over.

Q. By "they" you mean the Traction Brake Co.

A. The Westinghouse Traction Brake Co.

Q. Will you read those entries into the record? First, of this \$1100 item as it is shown on the books.

A. Just as it appears here?

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Q. Yes.

A. "Westinghouse Traction Brake Co. Profit and loss account. To bills receivable 7% preferred stock certificate #653, dated Jan. 31st, 1911, of St. Louis Car Co., in name of John F. Miller, covering 11 shares of stock, being turned over to W. T. B. Co. as per verbal understanding between Mr. Miller and ourselves, while in Milwaukee, Oct. 21st, 1914. No dividend was ever paid. Given to W T B Co. in part liquidation of debt. See correspondence attached to journal entry #858."

Q. That what you have just read is the journal entry as it appears on page 384 of your journal?

A. Yes, our journal B.

By Mr. Quarles: I offer in evidence, if the court please, that journal, and the ledger to which the items therein referred to have been posted.

By the Master: They may be received.

By Mr. Quarles: I might make a formal offer of these 3 journals and this ledger at one time, and ask that they be given one exhibit number. I intend to read the entries in, and let the defendant withdraw the books.

Two journals and one ledger, marked:
"Plaintiff's Exhibit 72, WJB."

Q. Will you now refer to the entry showing the transfer of this \$27,750 item and read that into the record?

A. "Westinghouse Traction Brake Company Profit and Loss account to Westinghouse Traction Brake Company Loan account. Balance of amount from issue of gold notes after liquidating balance of gold bonds and balance due Westinghouse Traction Brake Company on loans as of 2-28-14. Treated in this manner in order to reduce the above liability account as well as it being considered that additional funds will not be required by us for some time."

Q. To what account was that charged in the ledger?

A. The Westinghouse Traction Brake Co. profit and loss account.

Q. To what account credited?

A. The Westinghouse Traction Brake Co. loan account.

Q. It is a fact, isn't it, Mr. Boyle, that the balance of this Westinghouse Traction Brake Co. trading account was charged into profit and loss in or about 1916?

A. Yes.

194 Q. Can you give me what that balance was? The date was July 31, 1916, was it?

A. \$285,977.28.

Q. Will you read that entry into the record?

A. That journal is not here.

Q. Will you make a copy of that entry from the journal and send it to the reporter?

A. Yes.

By Mr. Quarles: Any objection to that on the ground the book is not here, Mr. Brown?

By Mr. Brown: No.

(Copy in when received from Mr. Boyle.)

Q. What was the amount of that account on Feb. 29th, 1916?

A. \$262,251.32.

Q. Between that date and the date of the closing out of the account there were merely credits on the account accounting for the increase from \$262,000 to \$285,000, were there not?

A. Yes.

Q. I call your attention to an item appearing on page 44 of this minute book, being the second minute book of the company, which I now offer, and ask that it be marked Plaintiff's Exhibit 73.

Marked Plaintiff's Exhibit 73, W. J. B.

By Mr. Quarles: The item I refer to appears on page 44. I will ask you if that is the same as the journal entry that I have asked you to produce?

A. Yes.

By Mr. Quarles: I will then read that entry into the record.

By the Master: Mr. Boyle need not produce that.

By Mr. Quarles: No, if that is the same.

Q. Read it into the record.

"Westinghouse Traction Brake Co. trading account. . . \$285,977.28

"Westinghouse Traction Brake Co., loan account. . . . 50,000.00

Q. Those are debits?

A. To surplus account. We may have our profits and loss on that.

195 Q. Suppose you produce the other anyway, so we can be sure of it.

"To surplus account. \$335,977.28

"Entry to record action of directors of the Westinghouse Traction Brake Company cancelling above obligation."

By Mr. Quarles: I also offer in evidence page 43 of the second minute book of defendant company, being Plaintiff's Ex. 73, the following, being a part of a report of vice-president Tell to a special meeting of the board of directors held Nov. 14, 1916:

"Vice-President Tell then reviewed the operation of the National Steel Foundries since incorporation, and likewise, of the Milwaukee Locomotive Manufacturing Company, during the past two years, as shown by various statements on file, with which members of the board were familiar, and as set forth in the above mentioned report of Messrs. Ernest Reckitt & Company. He further bro't to the attention of the board, written authority from the management of the Westinghouse Traction Brake Company for charging off the losses reported by these subsidiary Companies of the National Brake & Electric Company to July 31, 1916, and asked the approval of the Board for the following journal entries which are self explanatory."

* * * * *

Q. In addition to this Westinghouse Traction Brake Company trading account, an account was kept known as account 29, Westinghouse Traction Brake Co. loan account, was there not?

A. Yes.

Q. What did that account indicate, what was kept in that account?

A. The amount that we received from them.

Q. As advances?

A. As advances, to carry on business.

Q. What became of those advances, as shown by that account?

Were they repaid in cash, or were they capitalized by issue of stock?

A. Capitalized.

Q. Can you turn to that entry?

A. I have it. It appears on page 63 of the journal.

196 Q. I will ask you to read that and the preceding entry into the record. Read them in the order in which they occur.

A. "Treasury stock to capital stock." Each item in there is one million.

Q. The first one is in the left-hand column, and the second in the right?

A. "Increase in capital stock authorized at special meeting of the stockholders held on Oct. 25, 1911, and effective Dec. 7, 1911. Date of recording papers in office of recorder of deeds etc. for Milwaukee County, Wisconsin, as stamped on documents on file. Approved at adjourned annual meeting Nov. 15, 1911."

Q. And the second entry?

A. "Westinghouse Traction Brake Com-	
pany	\$700,000
"Westinghouse Traction Brake Com-	
pany	\$700,000

Covering transfer of treasury stock to Westinghouse Traction Brake Company, being in liquidation of demand notes totaling \$685,212.49 given them from time to time for money advanced our company, and which notes have been returned. Of interest amounting to \$8,737.46 due on said notes as of November 15, 1911, and of cash payment of \$6,050.05 received Nov. 22, 1911, to make total indebtedness an even \$700,000, as of Nov. 30th, 1911, all being in accordance with action taken at special meeting of stockholders held Oct. 25, 1911, and approved at regular adjourned annual meeting of stockholders held on Nov. 15, 1911."

Q. Will you read the entry appearing on page 76 of this journal B, the second entry?

A. "Westinghouse Traction Brake	
Company	\$100,000.00
Treasury stock	\$100,000.00

Covering purchases of 1000 shares of treasury stock by the Westinghouse Traction Brake Company, for which stock certificate #28 was issued under date of Feb. 23, 1912. Action to be taken upon sale at our next directors' meeting."

Q. Those 3 entries, as I understand it, account for the authorized increase of capital stock of defendant company from one million dollars to two million dollars, and the issue of \$800,000 of
197 that stock to the Westinghouse Traction Brake Co. Is that correct?

A. Yes.

Q. The first entry shows, does it not, that \$700,000 of that stock was paid for by cancelling advances that had been made to the defendant company by the Westinghouse Traction Brake Company?

A. Yes; the equivalent.

Q. That is, they took the stock for money that they had advanced? The Traction Brake Company did?

A. Yes; the equivalent.

Q. What do you mean by the equivalent? Do you mean that they took stock for their advances plus interest?

A. As it shows there, yes.

Q. Well, is that correct? Their advances plus accrued interest?

A. Yes.

* * * * *

Testimony Taken April 6, 1917.

Q. 301. You were asked to produce the entry as of July 31st, 1916, writing off Westinghouse Traction Brake Company Trading Account and crediting either Profit and Loss, or Surplus Account the item of \$285,977.28. Will you read that item?

A. Westinghouse T B Co. Profit and Loss Account	285 977 28
Westinghouse T B Co. Loan Account	50 000 00

To Profit and Loss	335 977 28
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Entry to record action of directors of the Westinghouse Traction Brake Company canceling above obligation.

Q. 302. There were two other adjustments made on the same day, were there not, to Profit and Loss, one a debit and one a credit of large amounts, amounts in excess of \$300,000?

A. Yes.

Q. 303. Will you read those items, please?

198	A. Profit and Loss	651 029 80
	To National Steel Foundries ..	259 333 55
	Milwaukee Loco Manufacturing Company	391 696 25
	Entry to record action of directors in assuming deficit of above two subsidiary companies, Westinghouse Air Brake Co. Loan Account	300 000 00
	To profit and Loss	300 000 00

Entry to record action of directors of the Westinghouse Traction Brake Company in assuming and then canceling the above obligation.

Q. 304. Will you also produce before the Master the directors' resolutions referred to in those items which I think appear at pages 44 to 46 of the minute book "B," Plaintiff's Exhibit 73?

A. I have it.

By Mr. Quarles: I offer that resolution, commencing at the middle of page 43 and ending near the bottom of page 44, and ask that it be copied into the record.

By the Master: It may be received.

Copied as follows:

"Thereupon, on motion duly supported and unanimously adopted it was resolved that the action of the management in incor

porating the National Steel Foundries under the laws of Wisconsin, and subscribing for its entire capital stock consisting of fifty shares of the par value of \$100 each, and in handling the product of the company's steel foundry through the agency of this subsidiary company, be, and the same is hereby approved, confirmed and ratified.

"Vice-President Tell then reviewed the operation of the National Steel Foundries since incorporation, and likewise, of the Milwaukee Locomotive Manufacturing Company, during the past two years, as shown by various statements on file, with which members of the Board were familiar, and as set forth in the above mentioned reports of Messrs. Ernest Reckitt & Company. He further brought to the attention of the Board, written authority from the management of the Westinghouse Traction Brake Company for charging off the losses reported by these subsidiary companies of the National Brake & Electric Company to July 31st, 1916, and asked the approval of the Board for the following journal entries, which are self explanatory:

National Steel Foundries Co.

National Brake & Electric Co.	259 333 55	
To surplus		259 333 55
Entry to record action of Directors of the N. B. & E. Co. in assuming Deficit of the Foundries Co.		

Milwaukee Locomotive Mfg. Co.

Surplus	275 170 85	
To Locomotive Development Acct		253 729 40
Gear Box		9 008 41
Gas Engine		12 433 04
Reduction of Development Accounts, leaving balance of \$30,000.00 in Locomotive Development Account, per instructions of Board, such developments being of uncertain value.		
National Brake & Electric Co.	391 696 25	
To surplus account		391 696 25
Entry to record action of Directors of the N B & E Co. in assuming Deficit of the Milwaukee Locomotive Manfg. Co.		

National Brake & Electric Co.

Surplus	651 029 80	
To National Steel Foundries		259 333
Milwaukee Locomotive Mfg. Co.		391 696
Entry to record action of Directors in assuming Deficit of the above two subsidiary companies.		
Westinghouse Air Brake Co. Loan Acct. . .	300 000 00	
To Surplus Account		300 000
Entry to record action of Directors of the Westinghouse Traction Brake Co. in assuming and then canceling the above obligation.		
Westinghouse Trac. Brake Co. Trading Acct.	285 977 28	
200		
Westinghouse Trac. Brake Co. Loan Acct. .	50 000 00	
To surplus		335 977
Entry to record action of Directors of the Westinghouse Traction Brake Co. canceling above obligation.		

"After due consideration, on motion duly seconded and unanimously adopted, the proper Officers of the National Brake & Electric Company and of its subsidiary Companies, the National Steel Foundries and the Milwaukee Locomotive Manufacturing Company, were authorized and instructed to make said described entries of July 31, 1916, in the Journals of said Companies respectively

'201 *From the Testimony of John A. Spibey, Taken at Milwaukee, Wis., a witness called by the plaintiffs in said Account as follows:*

Testimony Taken April 6, 1917.

Q. 432. In making up account, Plaintiff's Exhibit 1, was taken in account as a credit to defendant, any interest on the Westinghouse Traction Brake Co. trading account?

A. Yes.

Q. 433. Was that interest actually paid to the Traction Brake Co.?

A. As far as my recollection goes, none was paid. I am not quite sure, about that though. There may have been some small amount.

Q. 434. But it was a comparatively small amount, if any?

A. Yes. As far as my recollection goes, none was paid.

Q. 441. Was there any interest paid on Westinghouse Traction Brake Co. loans?

A. I have an impression that interest was paid through the

italization of it, but not directly through a cash transaction; by a cash payment. That is my impression.

Q. 422. That is, the capital stock was issued for interest, but no cash was passed for interest?

A. Yes, that is my impression. There was no interest taken up on the books on capital stock. That I know.

Q. 443. And therefore, no money was paid?

A. No, not on capital stock. As far as my recollection goes no interest was paid on anything but the bonds.

Q. 444. That is, as far as you now recall no interest was paid on either Westinghouse Traction Brake Co., or Westinghouse Air Brake Co. loan account, but if your previous answer is erroneous you want the right to correct it?

A. Yes, sir.

* * * * *

Q. 454. On apparatus sold after Feb. 1st, 1911, what did you take as the sales price?

A. The price at which the apparatus was sold.

Q. 455. The price at which it was billed to the customer, or the price at which it was charged to the Westinghouse Traction Co. trading account?

202 A. The price at which it was charged to the Westinghouse Traction Brake Company account, being the price at which it was sold.

* * * * *

Q. 457. Then in figuring the sales prices you did not ascertain or take into consideration the fact that 285 thousand odd dollars of credit in that account were closed into its profit and loss account?

A. No.

Q. 458. Then if that is a fact, and if that amount corresponds approximately to the difference between the price at which these compressors were billed to the customers, and the price at which they were charged into this trading account, the latter price would not be the sales price, would it?

A. Yes, it would be the sales price according to my understanding. There was an arrangement in force between the Company and the Westinghouse Traction Brake Co. by which these compressors were sold to the Westinghouse Traction Brake Co. It is incorporated in the minute book of the company, and I believe in correspondence between Mr. Tell and the directors of the Westinghouse Traction Brake Co., and has been in existence for the last 6 years.

Q. 459. And pursuant to that arrangement the defendant billed these compressors direct to the customers, did it not?

A. Yes, it was part of the arrangement that they should.

Q. 460. And collected it from the customers?

A. Yes.

Q. 461. To follow that out to its logical conclusion it would have to remit to the Traction Brake Co. the amounts so collected, would it not?

A. Not necessarily.

Q. 462. Why not?

A. They might allow, as they did the Westinghouse Traction Brake Co. to remain as a credit on their accounts.

Q. 463. If they closed it into profit and loss then the defendant gets the credit for it, does it not?

A. If I understood the testimony this morning, the account was closed into profit and loss because the obligation was forgiven by the Westinghouse Traction Brake Co.

Q. 464. Then the defendant gets the credit for it?

A. Yes, the defendant gets the credit for it.

Q. 465. And it keeps the money?

A. Yes.

203 Q. 466. And it makes a profit on it?

A. Well, I think there wasn't any profit. That is a matter of fact.

Q. 467. Well, it keeps the profit:

A. Yes, if there was any.

Q. 468. When did you first know that this item was charged into profit and loss? Today?

A. Yes, this is the first time it has come to my certain knowledge today. I had heard something about it in our office some time ago, but I have not paid any attention to it, and this is really the first time that the item has come to my attention so that I really understood what the entry was.

* * * * *

Said witness testified for defendant as follows:

Testimony Taken October 18, 1917.

Q. 572. Subsequent to February 1, 1911, are the sales of infringing apparatus, as shown in Plaintiff's Exhibit 1. 1-A, and 1-B, determined in the same way as the sales prior to February 1, 1911?

A. The underlying basis is the same. That is, we have not resorted to apportionments of selling prices where a separate price was charged for the compressor alone, but from February 1, 1911, to the close of the infringing period, as regards apparatus used for air brake purposes, and for the half year from February 1, 1911, to July 31, 1911, as regards the apparatus used for industrial purposes, there was an arrangement entered into with the Westinghouse Traction Brake Company in regard to the sales. Under this arrangement the sales above mentioned were charged to Westinghouse Traction Brake Company in an account known as the Westinghouse Traction Brake Company trading account at a price based upon the estimated factory cost, plus a percentage which was, as originally outlined in the arrangement, 25%, but which was subsequently varied between no percentage and 37½%. In figuring the selling prices of this apparatus after February 1, 1911, we have taken these prices which the apparatus was charged to the Westinghouse Traction Brake Company. As regards industrial apparatus sold after July 31, 1911, which was excluded from the arrangement, we have ascertained the

prices on this in the same manner as the prices for the infringing apparatus prior to February 1, 1911. Under the arrangement
 204 selling expenses, such as prepaid freight, customs duties and commissions, and so on, were to be paid by the Westinghouse Traction Brake Company, and consequently we didn't need to take that into account as regards those charged in Westinghouse Traction Brake Company trading account. Also the cost of installation was borne by the Westinghouse Traction Brake Company. In addition to all this, all selling expenses in connection with this apparatus included in the arrangement were charged to Westinghouse Traction Brake Company for a period of ten months after the inception of the arrangement, and for the balance of the time, down to the close of the infringing period, were paid directly by the Westinghouse Traction Brake Company.

Q. 573. In what account were these items to the Westinghouse Traction Brake Company carried on the defendant company's books?

A. An account entitled "Westinghouse Traction Brake Company Trading Account" to which I have referred in my previous answer.

* * * * *

Q. 578. Can you calculate the amount of the selling expenses which the defendant company saved as a result of its arrangement with the Westinghouse Traction Brake Company?

A. Yes, they can be calculated.

Q. 579. Have you calculated them?

A. Yes—calculated on the basis of the expense which was paid prior to February 1, 1911, by the defendant company.

Q. 580. What is the result of your calculation?

A. The result was to show that on the basis mentioned defendant company saved \$390,026 selling expense, of which the infringing compressors and repair parts are entitled to be credited with approximately \$234,015, this second calculation being ascertained by the percentage which the infringing compressor and repair parts bear in dollars and cents to the entire sales, including accessories and accessory repair parts.

Q. 581. Have you prepared any statement respecting this matter?

A. Yes, I did prepare a statement.

Q. 582. Will you produce it?

A. Why I haven't a copy, but a copy of the same is attached to the brief filed by Mr. Brown here shown me—rather it is not attached, it is incorporated in the brief, I should have said.

205 That statement shows, as I mentioned in a previous answer, the saving on selling expense, apportioning the infringing compressor and repair parts, of \$234,015, which was \$70,333 in excess of the net credit to Westinghouse Traction Brake Company trading account during the infringing period, arising from infringing apparatus as determined by comparing the plaintiffs' account with that filed on behalf of the defendant.

Q. 583. Has any payment been made by the defendant company to the Westinghouse Company on this account?

A. Yes.

Q. 584. What was that payment?

A. The defendant company paid over to Westinghouse Traction Brake Company \$1,100 in securities of the St. Louis Car Company; also turned over \$27,750 par value of their own stock which was charged against Westinghouse Traction Brake Company trading account; they also disbursed \$61,808.28 selling expenses from February 1, 1911, to October 31, 1911, which were charged against the Westinghouse Traction Brake Company trading account, which, in pursuance of the arrangement, were paid out on behalf of Westinghouse Traction Brake Company.

Q. 586. What have you to say as to the gain on compressors through the arrangement and the gain on repair parts? Was there any disparity between them?

A. Yes, there was quite a marked disparity. \$70,330, which I have previously stated was the gain I figured to the defendant company through the arrangement, of course arose from both compressors and repair parts, since both are included in the account. However, this figure is apportioned between compressors and repair parts. The saving on the compressors figures \$112,000 approximately, whereas on the repair parts it shows the reverse way by some forty odd thousand dollars. The reason for this is because the margin of difference between the prices at which the compressors were charged the Westinghouse Traction Brake Company and the price which they were charged to the customer was much less than the margin of difference between which the repair parts were charged to the Westinghouse Traction Brake Company and the prices at which they were charged to the customer. This result indirectly arises because the books of the company show that the difference between the selling prices of repair parts and their factory cost is much greater than the difference between the selling price of compressors and the estimated factory cost, or the factory cost of compressors. These figures as to the cost of repair parts and the cost of compressors, and the yield from them when sold, are clear and distinct on the books of the company. There is no confusion or commingling of the sales or costs of the two upon the books.

Q. 587. Wherein does your apportionment of selling expenses against the infringing business differ from the apportionment made by plaintiffs' accountant?

A. I spoke yesterday of the commercial expense, but did not refer to the selling expense.

A. (Continuing:) It differs for two reasons, or rather three reasons, two of which have already been referred to, but which for the sake of completeness I will again refer to briefly. One is the elimination by plaintiffs' accountants of the selling expenses from August 1, 1908, to December 1, 1908. The other is the inclusion by plaintiffs' accountants in the selling expense of the item of \$61,808.28 selling expenses from February 1, 1911, to October 31, 1911, which were charged on the books to Westinghouse Traction Brake Company trading account, and which are not shown in our account, and the amount of sales shown by plaintiffs' accountants after February 1, 1911, to which reference has been made, which naturally result

in a heavier apportionment of selling expenses against sales for this period of nine months. The other reason to which I have not previously referred I remember is the inclusion by plaintiffs' accountants of an item of \$1,530.92 under commercial expenses instead of selling expenses, where it is shown in our account in the years 1910 and 1911.

Q. 588. Why did you put this item into selling expense and apportion it as such?

A. Because it appears on the books of the company under a separate classification, which does not identify it as either, but my information was that it related solely to selling of air brake and industrial compressor apparatus, and therefore I classified it as selling expense and apportioned it accordingly.

* * * * *

Testimony Taken October 24, 1917.

R. D. Q. 920. Please state, if you can, what, if any, reason there has existed and exists for any departure from the established
207 practice in the methods of bookkeeping of the National Brake & Electric Company.

A. The accounts of this company have been kept in accordance with instructions and directions received from Westinghouse Air Brake Company, and my understanding is that in accordance with those directions depreciation was left out of the account for a period of years. It also explains the Westinghouse Traction Brake Company trading account, which is somewhat different from ordinary methods of keeping books, although it is not entirely singular, and there may be other features in which this company kept its books other than the ordinary established practice on account of the circumstances that were controlled absolutely as far as bookkeeping methods are concerned by the accountants and executives of the Westinghouse Air Brake Company.

* * * * *

R. D. Q. 955. You have referred to the control of the defendant company by the Westinghouse Air Brake Company. Do you mean the Westinghouse Air Brake Company or the Westinghouse Traction Brake Company?

A. The Westinghouse Air Brake Company controls both companies. The Westinghouse Traction Brake Company does not maintain a separate organization except it keeps separate books, but the office organization and the managerial organization of the two companies are identical, so whether I said they controlled the Westinghouse Traction or Westinghouse Air Brake would mean the same in this connection.

- 208 *From the Testimony of Ernest Reekitt, Taken at Milwaukee, Wis., December 26, 1917, a Witness Called on Behalf of Defendants in said Accounting, as follows:*

X Q. 72. My understanding of Mr. John F. Miller's testimony was that it was transferred from the Traction Brake Co. to the Air Brake Co. in 1911?

A. No. If he said that it was probably a slip of the tongue.

X Q. 73. I see that I was in error in my question, Mr. Reekitt. Mr. Miller testified that it was transferred from the Air Brake Co. to the Traction Brake Co. in 1911. I understand the fact to be that this two million par value stock was carried on their books at a million and a half throughout the time that the capital stock was at that value, and through the close of the infusing period? Is that correct?

A. I don't know anything about the books of the Westinghouse Air Brake Co. or subsidiaries prior to Aug. 1st, 1913, except in a very general way; not in any way that I could swear to. But I can state that the value of the National Brake & Electric Company's capital stock was carried on the books of the Westinghouse Traction Brake Co. up to July 31st, 1916, at \$1,500,000.

* * * * *

- 209 *From the Testimony of N. A. Christensen, a Witness Called by the Plaintiffs in said Accounting, Taken at Milwaukee, Wisconsin, June 29, 1916, as follows:*

X Q. 76. How long was Mr. Bottum your attorney?

A. From about the early part of 1895 until some time in the fall of 1913.

X Q. 77. That is, he was your personal attorney during those 18 years, about?

A. Yes.

* * * * *

X Q. 114. Are you acquainted with Mr. Denton?

A. Yes.

X Q. 115. He formerly worked for the National Electric Co.?

A. Yes.

X Q. 116. And then for the National Brake & Electric Co., did he not?

A. I don't know. I don't think so.

X Q. 117. When did he go to work for the Allis-Chalmers Co.?

A. About the time, as I recollect it, when the Allis-Chalmers Co. began to manufacture my air brake apparatus under their license with me.

* * * * *

210 *From the Testimony of Frank C. White, Taken at Milwaukee, Wis., a Witness Called by the Plaintiffs in said Accounting, as Follows:*

Testimony Taken June 27, 1917.

Q. 32. What book entries were they that caused you and defendant's accountants to use different bases of computation of selling prices?

A. There was an account in the books opened as of Feb. 1st, 1911, called the Westinghouse Traction Brake Trading account, following a so-called arrangement made with the Westinghouse Traction Brake Company, the sales as billed were credited to the Westinghouse Traction Brake Company; that is, the air brake sales, and for the six months' period ending July 31st, 1911, the industrial sales. The sales accounted for in the National Brake & Electric Company, the trading account, were stated at the cost plus the added percentage usually of 25%, which amount was charged to the Westinghouse Traction Brake Company trading account. The excess arising, or the difference between the amounts realized from customers and the amounts taken up into the National Brake & Electric Company's statement of profits in their regular profit and loss account, the amount in this account at July 31st, 1916, appearing as a liability, was written off and credited to the National Brake & Electric Co.'s profit and loss account. The total amount so written off at July 31st, 1916 was \$285,977.28. The sales and transactions included in this account applied to non-infringing as well as infringing apparatus, and the \$140,000 previously referred to applies to the infringing apparatus on sales made up to March 21st, 1916.

* * * * *

Testimony Taken July 17, 1917.

X Q. 228. Well, now as to those orders for compressors, that is 211 they came from sales offices of the Westinghouse Traction Brake Co. trading account, where did those orders come from?

A. I don't know where they came from. I presume they came through the usual channels.

X Q. 229. As a matter of fact, you know, don't you, that 211 they came from sales offices of the Westinghouse Traction Brake Co.?

A. I don't know that as a matter of fact. I presume that at least part of them did, but I don't know.

* * * * *

X Q. 251. The inter-company arrangement as to the \$285,000 item, if it had not been written off as of July 31st, 1916, would have stood to the credit of the Westinghouse Traction Brake Co. trading account, wouldn't it?

A. Yes.

X Q. 252. Who had control of that account, if you know?

A. From all the evidence that has been put in I should say that the Traction Brake Co. had.

X Q. 253. That is the Westinghouse Traction Brake Co.?

A. Yes.

* * * * *

X Q. 260. Wouldn't you consider that it was a liability because of the fact that it had been written off at the direction of the Westinghouse Traction Brake Co.?

A. That would indicate a liability, yes.

X Q. 261. It would indicate that the Westinghouse Traction Brake Co. had some interest in that \$285,000 item, wouldn't it?

A. Certainly.

X Q. 262. And might even go so far as to indicate that they controlled it?

A. Well, that has been brought out in the evidence, that the Westinghouse Traction Brake Co. controlled the National Brake & Electric Co. These entries were made from the home auditor or some such designation as that, but as for my dealing with them, I wouldn't care what they were called, or how they were shown, or what name they were. It is a matter of getting at the underlying facts. I wouldn't care what the name of the account was.

* * * * *

X Q. 287. On air brake apparatus, which, as I understand it, was what was sold to the Westinghouse Traction Brake Co. and appeared in the Westinghouse Traction Brake Co. trading account. Were these salesmen salesmen of the National Brake & Electric Co., or whose salesmen were they?

By Mr. Quarles: It seems to me this is hearsay, if the court please.

By the Master: I don't see how he can know that from the 212 books.

* * * * *

X Q. 288. Could you, or have you ascertained from the books information concerning whether or not the sales made of this air brake apparatus were made by salesmen of the National Brake & Electric Co.?

A. I have not verified or traced down the fact as to whether or not orders were sent in by men whose salaries were carried on the books of the National Brake & Electric Co., or the Westinghouse Traction Brake Co., but I don't think there is any question—there is no question in my mind at least, but the orders were handed in by the salesmen of both organizations, but that subsequent to Feb. 1st, 1911, the larger part of the orders were taken by the Traction Brake Co. or allied companies' organizations.

* * * * *

X Q. 291. In your examination of the papers and files of the National Brake & Electric Co. did you learn or know that the Westinghouse Traction Co. ordered or instructed the National Brake & Electric Co. to ship apparatus and bill customers at certain prices?

A. In the first place I saw no correspondence indicating that the orders for any of the sales were turned in by the Westinghouse Traction Brake Co. I do recall some sales which were shipped to outside parties, and which were billed directly to some of the Westinghouse companies, in both periods, prior to Feb. 1st and subsequent to Feb. 1st.

X Q. 292. What were these items, if you know?

A. They were compressors and accessories, and very likely repair parts of the same nature; all sales were like that nearly.

X Q. 293. To whom were those goods shipped, if you remember?

A. I don't remember the names. What I intended to convey is that they were shipped to consumers, we will say, railroad companies in the case probably, of air brake equipment; and if there were any industrial sales so handled, to industrial concerns. There are a great many sales organizations and agents of the Westinghouse companies and the orders in some cases apparently came through these agencies or sales organizations.

X Q. 294. That is, the orders came through the sales of
213 fices or agencies other than the National Brake & Electric Co.?

A. When I am testifying as to who sent in the orders, it is not in my own knowledge; it is assuming on my part from the way accounts were handled, because I don't know where the orders came from, but I can state that there were individual cases where the records showed that shipments were made to parties other than to whom the goods were billed.

* * * * *

X Q. 297. Yesterday you referred to sales of air brake apparatus made to the Westinghouse Traction Brake Co., and I believe you thereafter modified it to show that possibly it was the Westinghouse Air Brake Co. Do you know of any such sales charged on the customer's ledger?

A. To whom?

X Q. 298. Charged to the Westinghouse Traction Brake Co.?

A. I know of no such sales.

* * * * *

X Q. 299. After the commencement of the arrangement with the Westinghouse Traction Brake Co., after Feb., 1911, and continuing down to March 21, 1916, do you find any expenses for the maintenance of district sales offices on the books of the defendant company?

A. I don't think I can answer that question as stated definitely. Will it suffice if I say that beginning Aug. 1st, 1912, there were no expenses recorded on the books of the National Brake & Electric Co. as district sales office expenses. There were expenses charged up

to I think Oct. 1st, 1912, under expense accounts, under Westinghouse Traction Brake Co. expense accounts.

X Q. 300. Should not that date be Oct. 31, 1911?

A. Yes, you are right.

X Q. 301. Expenses for the maintenance of district sales offices show only for the period from Feb. 1st, 1911, to Oct. 31, 1911?

A. Subsequent to that date there were none recorded. I haven't the exact makeup of those expenses, but if it is necessary to go into that we can.

* * * * *

214 *From Master's Opinion Rendered September 19, 1917, Pages 973 C and 973 K, Vol. 3, of said Accounting Record.*

Third. The third motion of defendant is that the damages estimated by plaintiffs' accountants and submitted in plaintiffs' report be disallowed. Counsel for defendant say first, that this is not a case in which an award of damages is proper, and second, that if it were there is no evidence establishing the measure of damages. Upon the first point it is sufficient to say that the evidence in this case clearly shows that the defendant, after terminating the license agreement with plaintiff Christensen immediately commenced the manufacture and sale of infringing compressors, and continued such manufacture and sale for nearly ten years and until the expiration of the patent, notwithstanding a prompt commencement of this action, and notice to it of the plaintiffs' claims. This infringement may fairly be called wanton and deliberate. In the opinion of the Master the plaintiff has suffered very substantial damages, which he is entitled to recover provided the evidence is sufficient to enable the Master properly to establish the measure thereof. An established royalty may be shown as indicative of the value of what was taken by defendant, and therefore as affording a basis for measuring damages, but that is not the only evidence to establish the measure of damages. Where this is impossible it is permissible to show the value by proving what would have been a reasonable royalty considering the nature of the invention, its utility and advantage, and the extent of the use involved.

Hunt v. Cassidy, 64 Fed., 585.

United States Frumentum Co. v. Lauhoff, 216 Fed., 610.

Dowagiac Manufacturing Co. v. Minnesota Plow Co., 205

U. S. 641-648.

It appears from the evidence that Christensen executed a license agreement to the Christensen Engineering Co., dated Sept. 1st, 1897, covering the combined pump and motor and an automatic controller for the same, upon an agreed royalty of 5 per cent. on gross sales of compressors and controllers, and 10 per cent. on gross sales of repair parts. (Pltfs.' Ex. 74.) This license was afterwards amended to include other patents, the royalty remaining the same (Pltfs.' Ex. 83), and was transferred to the National Electric Company, and

the trustee in bankruptcy of the National Electric Co. to one Charles L. Sullivan and by him to the Wisconsin Brake & Electric Company. The Wisconsin Brake & Electric Company conveyed all its rights under said license agreement to Christensen who, on April 18, 1906, executed a new license agreement to the Wisconsin Brake & Electric Company to dispose of all the completed product and to use for such purpose the material in the possession of the licensee on an agreed royalty of 5 per cent. on gross selling price of air brake apparatus, and 10 per cent. on gross selling price of repair parts. (Pliffs.' Ex. 65.) This license agreement was assigned to defendant with the rest of the assets of the Wisconsin Brake & Electric Co., and on June 20th, 1906, was modified by the agreement between Christensen and the defendant whereby defendant was permitted to substitute 100 AB1 bases in place of 100 AA1 bases upon the same royalty as provided in the agreement of April 18, 1906. This agreement also contained the following provision: "It is further expressly understood and agreed that after the expiration and completion of this agreement neither party hereto is estopped from asserting or denying the validity of any of the patents involved." (Pliffs.' Ex. 88.) It will be noted that all of these license agreements contain the agreed royalty of 5 per cent. on gross sales of compressors and 10 per cent. on repair parts. It is true the last two agreements are limited as to the manufacture and sale, but for that reason would seem to be of less value than a general license. It further appears that these agreed royalties were actually paid by the licensees as follows:

By the National Electric Company	\$85,912.37
By John I. Beggs, trustee in bankruptcy	29,401.20
By the Wisconsin Brake & Electric Co.	3,607.48
By the defendant	23,800.91
Making a total of	\$142,721.96

all between May 16th, 1903, and Dec. 10th, 1906. (Record, pp. 665 to 683.) In addition to the above it appears the defendant paid royalty on the same basis and on motor compressors sold for other than air brake purposes amounting to \$5,826.07. Whether defendant is estopped by its agreements with Christensen from testing the reasonable royalty as contained in its own license agreements, it is certainly strong evidence of the value placed thereon by defendant at that time. It is true that these several license agreements contain other patents than the one in suit, but Christensen has testified that the others were of minor importance and of little or no commercial value. (Record, pages 783-791.) He has also testified that 5 per cent. on gross sales of compressors with accessories, forming complete equipment, and 10 per cent. on repair parts, was a reasonable royalty for the patent in suit. (Record, pages 790-791.) While he is an interested party he has shown abundant qualifications to express an opinion, and upon the present state of the record his testimony stands uncontradicted. The

Master is therefore of the opinion that the evidence on behalf of the plaintiff establishes a reasonable royalty, or "general damages" as it is called in the case of *Fruentum Co. v. Lauhoff*, *supra*, and that he is entitled to recover damages measured by said royalty. Whether such damages will be allowed only to the extent to which they may exceed the aggregate of the profits made by defendant, or whether damages will be allowed on all sales not made at a profit, need not be decided at this time, as plaintiffs' accountants have presented their figures on an alternative basis. Defendant's third motion is therefore denied.

* * * * *

Sixth. Defendant's sixth motion is that the Westinghouse Traction Brake trading account be accepted as shown by the books of the defendant and in accordance with the arrangement entered into in February, 1911, between the Westinghouse Traction Brake Co. and the National Brake & Electric Co. and continuing until the end of the infringing period. Upon a careful consideration of the evidence the Master has concluded that the evidence does not support a charge of fraud against the defendant and its officers. The arrangement between the defendant and the Westinghouse Traction Brake Co. on Feb. 9th, 1911, as disclosed in the entry of the minute book of defendant (Record, pages 626-629) appears to have been made for the best interests of the defendant company and resulted in saving the selling expenses as well as \$1000 per month advertising paid by the Westinghouse Traction Brake Co. That this saving was very material the Master does not doubt. That it was as great or greater than the amount credited to the Westinghouse Traction Brake Co. trading account as the difference between the price collected from customers and the agreed price to the

217 Westinghouse Traction Brake Company seems probable upon the figures for selling expenses of the defendant prior to this arrangement. According to figures submitted by defendant in its brief the selling expenses would exceed the amount of the credit by from \$37,160.11 to \$70,333, depending upon whether an average taken of selling expenses on all air brake sales (including accessories) or whether it be taken on infringing apparatus only. If this be so the profits of the defendant company are increased by that amount, and it is to the advantage of the plaintiff. If this is so the plaintiffs are not concerned with the subsequent transfer of the account to defendant's profit and loss account with the consent and approval of the Westinghouse Traction Brake Company. The sixth motion of defendant is therefore granted.

218 The following exhibits offered by the plaintiff in said accounting:

EXHIBIT 65.

Agreement made and entered into this 18th day of April, 1906, by and between Niels A. Christensen, party of the first part, and the Wisconsin Brake & Electric Company, party of the second part.

Whereas, the parties hereto propose to enter into a certain contract of even date herewith, by which the party of the first part assigns certain claims, demands and causes of action to the party of the second part for the consideration of the sum of twenty-six thousand dollars (\$26,000), and the party of the second part proposes to assign, transfer and set over to the party of the first part certain licenses, agreements and other rights and interest in patents, as evidenced by a certain contract of even date herewith; And

Whereas, it is a part of the agreement between the said parties, as hereinafter more specifically set forth;

Now therefore, the party of the first part, for one dollar and other valuable considerations to him in hand paid, the receipt whereof is hereby acknowledged, does hereby consent and authorize the party of the second part, or its assigns, to dispose of the completed product and to use for such completion the material in process of manufacture and already manufactured, now in the possession of the party of the second part, which are covered by the licenses this day assigned by the party of the second part to the party of the first part, or any of them, until the same are sold, provided, however, that the party of the second part pays to the party of the first part royalties at the rate of five (5) per cent. of the gross selling price of air brake apparatus, and ten (10) per cent. on repair parts for patented articles, being the same basis as heretofore used by the National Electric Company and its Trustee. The party of the second part agrees to pay said royalties monthly as heretofore done by the National Electric Company and its Trustee.

It is further expressly understood and agreed that after the expiration and completion of this agreement neither party hereto is estopped from asserting or denying the validity of any of the patents involved.

In witness whereof the parties hereto have caused these presents to be executed the day and year first above written.

NIELS A. CHRISTENSEN. [SEAL.]

WISCONSIN BRAKE & ELECTRIC COMPANY,

By WALTER D. HICKMAN,

President.

Attest:

JOHN A. McCORMICK,

Secretary.

EXHIBIT 88.

Agreement Made and Entered into This 20th day of June, 1906, by and between Niels A. Christensen, Party of the First Part, and the National Brake & Electric Company, Party of the Second Part.

Whereas, the party of the first part and the Wisconsin Brake & Electric Company entered into an agreement dated April 18th, 1906; And,

Whereas, all the rights of the Wisconsin Brake & Electric Company in, to and under said agreement have been acquired by the National Brake & Electric Company; And,

Whereas, the party of the second part has an order for one hundred (100) AB1 compressors and has on hand only material for making AA1 compressors and desires to substitute one hundred (100) AB1 pumps to fill said order; And,

Whereas, the parties hereto have agreed to modify said agreement of April 18th, 1906, to accomplish that end, as hereinafter more specifically set forth.

Now therefore, the parties hereto, in consideration of one dollar and other valuable considerations, each to the other paid, receipt whereof is hereby acknowledged, do hereby agree as follows:

1. That the said agreement dated April 18th, 1906, be, and the same is hereby modified, and the party of the second part is hereby authorized to manufacture complete, and sell one hundred (100) AB1 bases, provided said party of the second part destroys one hundred (100) AA1 bases, so as not to increase the amount of complete product authorized by said agreement of April 18th, 1906.

2. It is expressly understood and agreed that the party of the second part shall pay to the party of the first part royalties on the one hundred (100) compressors herein provided for at the rate provided for in said agreement of April 18th, 1906.

3. It is further expressly understood and agreed that after the expiration and completion of this agreement neither
220 party hereto is estopped from asserting or denying the validity of any of the patents involved.

In witness whereof the party of the first part has hereunto set his hand and seal and the party of the second part has caused these presents to be executed by its duly authorized officers and its corporate seal to be hereto affixed the day and year first above written.

NIELS A. CHRISTENSEN,

By E. H. BOTTUM, *His Attorney*,

NATIONAL BRAKE AND ELECTRIC CO.,

By R. P. TELL,

Vice President,

EXHIBIT 86.

Whereas the undersigned is the owner of all the licenses, rights and interests in United States Letters Patent and foreign patents mentioned in the agreements hereinafter named and referred to, by purchase at a trustee's sale in the bankruptcy proceedings in relation to the bankruptcy of the National Electric Company, a Wisconsin corporation, pending in the Eastern District of Wisconsin, namely:

A contract dated June 12th, 1895, between N. A. Christensen and S. W. Watkins.

A contract between Niels A. Christensen and Samuel W. Watkins dated October 10th 1895.

A contract between Niels A. Christensen and the Christensen Engineering Company dated the first day of September, 1897, and supplemental agreement attached thereto, between the same parties dated the 13th day of September, 1899.

An agreement between Niels A. Christensen and the Christensen Engineering Company, ratified by S. W. Watkins and dated the 13th day of September, A. D. 1899.

An agreement between Niels A. Christensen and the Christensen Engineering Company dated the 13th day of September, 1899, signed by N. A. Christensen solely.

An agreement between Niels A. Christensen and the Christensen Engineering Company dated the 30th day of April, 1903.

An agreement between Niels A. Christensen and the Christensen Engineering Company relating to English Patents, dated the 30th day of April, 1903.

An agreement between Niels A. Christensen and the Christensen Engineering Company relating to French Letters
221 Patent, dated the 6th day of August, 1903, signed by said Christensen and the National Electric Company.

An agreement between Niels A. Christensen and the Christensen Engineering Company relating to German Patents, dated the 6th day of August, 1903, and signed by said Christensen and the National Electric Company.

An agreement between Niels A. Christensen and the Christensen Engineering Company dated the 6th day of August, 1903, and executed by said Christensen and the National Electric Company, relating to Italian Patents.

An agreement between Niels A. Christensen and the Christensen Engineering Company dated the 6th day of August, 1903, and signed by said Christensen and the National Electric Company, relating to Austrian Patents.

And whereas all of said licenses and patents and interests were originally held by the Christensen Engineering Company and passed by transfer duly made, to the National Electric Company and whereas said National Electric Company was duly adjudicated bankrupt in the Eastern District of Wisconsin and the rights and interests in all of their property and assets passed to John I. Beggs, a Trustee in said bankruptcy, and whereas at a sale hereinbefore referred to all of such rights, interests, patents and licenses passed to and have been transferred to the undersigned.

Now therefore the undersigned, in consideration of one Dollar and other good and valuable considerations, doth hereby assign, transfer and set over the said licenses, agreements and all rights of interest in patents, etc., thereunder and thereby conferred or granted to Niels A. Christensen of the City of Milwaukee, to have and to hold our entire right, title and interest therein and thereunder, absolutely and forever.

And the undersigned further agree that in case it shall be necessary to execute further and other assignments or transfers to carry

out the intent and purpose of this instrument which is hereby declared to vest in and transfer to Niels A. Christensen any and all inventions, licenses, patents, interests in patents and agreements for the manufacture and sale of any and all devices and articles patented to him, then they will execute such further reasonable and useful instruments as they may be advised by competent counsel as sufficient for that purpose.

222 Witness the due execution of this agreement and transfer this 18th day of April, A. D. 1906.

WISCONSIN BRAKE & ELECTRIC
COMPANY,

By WALTER D. HICKMAN,
President.

Countersigned by JOHN A. McCORMICK,
[CORPORATE SEAL.] *Secretary.*

EXHIBIT 74.

This agreement, made this first day of September, 1897, by and between Niels A. Christensen, of the city and county of Milwaukee and State of Wisconsin, party of the first part, and the Christensen Engineering Company, a corporation doing business under the laws of the State of Wisconsin, party of the second part.

Witnesseth:—

Whereas, the party of the first part has invented a certain combined pump and motor, for which U. S. Patent Application, Serial No. 617,464, was filed December 28, 1896, and also an automatic controller for same.

And whereas, the party of the second part desires to secure the exclusive right to manufacture and sell said combined pump and motor and controller for all purposes for which it may be suited, including any and all improvements relating thereto which the party of the first part has made or acquired, or may hereafter make or acquire, within and throughout the United States and territories thereof.

Now, therefore, the parties hereto have agreed as follows:

First. The party of the first part in consideration of the covenants and agreements hereinafter contained on the part of the party of the second part, hereby grants unto the party of the second part and their assigns, the exclusive right to make, use and sell, within and throughout the United States and territories thereof, the said combined pump and motor and controller and improvements relating thereto which have been made or acquired by said party of the first part, to the full end of the term for which Letters Patent may be obtained therefor, unless this license shall be sooner terminated, as hereinafter provided.

Second. In consideration of the foregoing license and of the covenants and agreements hereinafter contained on the part of the party of the first part, the party of the second part hereby agrees to manufacture or cause to be manufactured, in first class manner, of good and proper materials, a sufficient number of combined pumps and motors and controllers to supply the demand therefor, with reasonable promptness, and to solicit, receive and fill all orders which may be secured therefor from responsible parties, to advertise and push the sale of said combined pumps and motors and controllers in an energetic and businesslike manner, and said party of the second part further covenants and agrees to pay the party of the first part, as a license fee or royalty, 5% on the gross sale of all combined pumps and motors and controllers, it being understood that where said combined pumps and motors and controllers are sold in connection with air brake apparatus, this said royalty of 5% shall be computed upon the total sum received for all air brake apparatus so sold and upon the gross sales for repairs for said combined pumps and motors, controllers and air brake apparatus, the party of the second part agrees to pay the party of the first part a royalty of 10%; payment of said license fees or royalties shall be made by the party of the second part to the party of the first part, his heirs, administrators or assigns, on demand therefor, after the fifteenth day of each month, during the term of this license, on all sales made and consummated during the month next preceeding.

Third. The party of the second part further covenants and agrees to keep full and accurate books of account, showing all manufactures and sales of combined pumps and motors and controllers, repairs and other devices made by or for him under this license, the names and residences of the parties to whom the same are sold, the number and proper designation of the devices and the prices for which they are sold, which books of account shall be open at all reasonable times to the inspection of the party of the first part, or of his duly authorized agent or attorney.

Fourth. The party of the first part hereby covenants and agrees to defend any and all suits which may be brought on the ground of the alleged infringement of the rights of others by the manufacture and under and in accordance with this license of the aforesaid improvements; and to take all necessary and proper measures to prevent the manufacture, sale and use by unauthorized persons of any devices which may be infringements of any Letters Patent obtained by the party of the first part by grant, purchase, or otherwise, for any of the aforesaid improvements embraced in this license, all necessary costs and expenses of bringing or defending suits to protect and preserve the rights and privileges secured by said Letters patent and granted by this license to be borne equally by the parties hereto.

Fifth. In case of any one or more of the said Letters Patent or part thereof are declared invalid in any suit or litigation, this license agreement shall remain in full force and effect in all particulars herein named, unless the number and character of the Patents so

declared should be such as to practically remove all protection under said Patents.

Sixth. The party of the second part further covenants and agrees that unless they shall pay to the party of the first part, for each year after date hereof, royalties to the amount of twenty-five hundred dollars, as hereinbefore provided, the party of the first part may, at his option, terminate this license by giving the party of the second part sixty days' notice in writing of his election so to do, provided, however, and it is mutually understood and agreed between the parties hereto that such termination of this license shall not release the party of the second part from the payment of any royalties which may be due the party of the first part when said notice is given, and that the party of the second part shall have the right, after receiving said notice, to complete any unfinished stock and to dispose of same together with any completed stock he may have on hand at the time such notice may be given, on the terms and conditions herein provided.

In witness whereof, both parties have hereunto set their hands and seals the day and year first above mentioned.

(Signed)
[CORP. SEAL.]

NIELS ANTON CHRISTENSEN,
CHRISTENSEN ENGINEERING
COMPANY.

Per S. W. WATKINS,
Pres't.

Witness.

HATTIE HIRSH,
As to Both.

EXHIBIT 83.

The inventions and improvements covered by Letters Patent of the United States No. 621,324, dated March 21, 1899, and No. 627,252, dated June 20, 1899, and by application for Letters Patent of the United States Serial No. 686,266, filed July 18th, 1899, 225 & 226 Serial No. 720,139, filed June 12, 1899, and Serial No. 729,283, filed September 2, 1899, are hereby declared to be included in the foregoing agreement upon the terms and conditions therein specified, as fully and completely as if they had been expressly specified in said agreement.

And it is hereby declared that any and all devices, inventions and improvements which have been or may be made or acquired by the party within named Nels A. Christensen, and which may be used in connection with the inventions and improvements specified in the foregoing agreement for the equipment of electric cars with air brakes are also included in said agreement and may be made, used and sold by the licensee therein named, its successors or assigns, upon the terms and conditions therein specified, for the purpose above mentioned, to-wit: the equipment of electric cars with air brakes but for no other purpose or purposes; it being understood and agreed however, that Letters Patent of the United States No. 58

846, dated April 20, 1897, for Valve for Air-Brake, also the Engineer's Valve for which application for Letters Patent of the United States, Serial No. 673,753, filed March 14, 1898, is pending and inventions or improvements relating exclusively to automatic air-brake equipments, are not included in this declaration or in the foregoing agreement.

In witness whereof, the parties to the foregoing agreement have duly executed the above declaration this 13th day of September, A. D. 1899.

In presence of:

(Signed) N. A. CHRISTENSEN. [SEAL.]

CHRISTENSEN ENGINEERING COMPANY,

(Signed) S. W. WATKINS,

President.

The plaintiffs, by their attorneys, Lines, Spooner and Quarles, object to the consideration by the court herein on defendant's motion to dismiss of any testimony other than the testimony taken in the above entitled action as not within the terms of the motion.

227 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1917.

No. 2248.

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner,

vs.

Honorable CHARLES P. ORR, NIELS A. CHRISTENSEN, ALLIS-CHALMERS MANUFACTURING COMPANY, Respondents.

*Petition of the Westinghouse Traction Brake Company for Writ of Mandamus or Writ of Certiorari from the United States Circuit Court of Appeals for the Third Circuit to the United States District Court for the Western District of Pennsylvania.**

To the Honorable the Judges of the Circuit Court of Appeals for the Third Circuit:

Your petitioner, Westinghouse Traction Brake Company, respectfully represents, as follows:

Your petitioner was sued in equity in the United States District Court for the Western District of Pennsylvania by the said Niels A. Christensen and Allis-Chalmers Manufacturing Company, at No. 80, May Term, 1916, for an alleged infringement of certain patents, among which were two original patents granted to the said Christensen, to wit, No. 621,324, dated March 21, 1899, and No. 635,280, dated October 17, 1899, for the same invention, hereinafter referred to as the first and second patents; that your petitioner filed an answer to said suit and evidence was taken on both sides by deposition

and the case was twice set for hearing, when, on motion of the plaintiffs, the court entered a decree dismissing the bill without prejudice; that thereupon your petitioner filed a petition in this Court for a writ of certiorari upon the ground that as to the said two patents the bill and answer made a complete record as to certain
 228 issues, including the question of validity of the second patent as to which your petitioner was entitled to a hearing and determination, and that the District Court erred in dismissing the bill as to said patents "without prejudice"; that said petition for certiorari was entertained, and the question heard on its merits by this Court on June 15, 1917; that on July 3, 1917, this Court filed an opinion and entered an order reversing the decree of the District Court dismissing the bill as to the said two patents without prejudice, holding the second patent void and reinstating the bill for further proceedings in conformity with the opinion, all of which proceedings are shown in the record of the said petition at No. 2248 March Term, 1917, of this Court, to which your petitioner begs leave to refer in connection with the present petition.

That on August 3, 1917, this Court issued its mandate to the District Court for further proceedings in conformity with the opinion, which found the said second patent invalid and gave directions as to the defenses that might be urged by your petitioner, and questions which might be passed upon in the trial of the case by the District Court on the first patent; that thereupon the case was, in conformity with the mandate, put on the regular trial calendar, which was called on September 3, 1917, when, on motion of your petitioner, notice of which was duly served on plaintiff's counsel, it was fixed for trial on October 1, 1917; that on October 1, 1917, the case came on for trial, and your petitioner was present in court with his counsel, witnesses, and a large number of machines and exhibits which had been offered in evidence in connection with depositions that had been taken de bene for use at the trial, but the plaintiffs did not appear either in person or by counsel; that thereupon the court sent for plaintiffs' local counsel and, after questioning the sufficiency of the notice of trial to plaintiffs, entered an order dismissing the bill of complaint as to the first patent for want of prosecution, with leave to the plaintiffs at any time during the pending (May) term to ask for a setting aside of the order for proper cause shown, to which order counsel for plaintiffs noted an exception; that at the same time the court signed and entered a formal decree in accordance with the mandate of this Court, dismissing the bill as to the second patent as invalid, having been issued without warrant of law; that plaintiffs made no motion for leave to set aside the said order during the said (May) term, or to ask for a trial during that period, although several of defendant's large machine exhibits were
 229 permitted by the court to remain set up in the courtroom during this period under the supposition that the plaintiffs would come forward and ask for leave to go on with the trial.

*Where italics are used in quotations, the emphasis is ours unless otherwise noted.

that the period of grace having expired with the expiration of the May Term, your petitioner, upon notice to plaintiffs, made timely motion for the entry of a final decree disposing of all issues in the case, which motion was argued before his Honor, Judge Orr, on January 3, 1918, and was granted and the said final decree was entered by Judge Orr on January 7, 1918, the same being in the following terms:

"This cause having come on to be heard, upon consideration thereof, it was ordered, adjudged and decreed, as follows, viz.:

"That as to Patents Nos. 680,842, 753,954 and 914,699, the bill is dismissed without prejudice to the rights of plaintiffs or either of them; provided, however, that all depositions heretofore taken herein may be used in any pending or subsequent litigation between plaintiffs and defendant, or their privies;

"That as to Patents Nos. 621,324 and 635,280, the bill of complaint is dismissed on the merits;

"And that defendant do recover its costs to be taxed under the direction of the clerk, and have judgment and execution therefor against the plaintiffs.

"Pittsburgh, January 7th, 1918."

That in the argument on January 3rd, before Judge Orr, the following questions were discussed between the Court and counsel, viz.:

(1) Whether the motion for the final decree should have been made in the May Term; to which petitioner's counsel replied that it could not be made at the May Term, because the order of October 1, 1917, did not become absolute until the expiration of said term, and defendant obviously could not make said motion until the November Term.

(2) Whether your petitioner could make a motion for final decree in view of the statement on the record that the order for dismissal for lack of prosecution had been made on motion of petitioner's counsel, but the reply was made to this that the petitioner could at any time during the following term move for an amendment of the decree, and was entitled to ask for a decree in conformity with the mandate and in form such as would finally dispose of all questions arising in the suit.

(3) Whether your petitioner was entitled to a decree in
230 its favor which ordered the dismissal of the bill on the merits, and as to this it was contended that anything short of this would be equivalent to a dismissal of the bill "without prejudice" and leave the plaintiffs free to relitigate the questions in another or subsequent suit, and consequently leave the case in the same condition as under the original decree of dismissal without prejudice, which decree was reversed by this court, and that the form of the decree was practically the same as that approved by the Supreme Court in *Lyon v. Perin Mfg. Co.*, 125 U. S. 698, to which the attention of the Court was specifically called, and was warranted

by the decision of the Court of Appeals of the First Circuit in *American Bell Telephone Co. v. Western Union Tel. Co.*, 89 F. 666, and other cases cited by counsel.

That at said hearing plaintiffs were represented by Mr. Hear of Reed, Smith, Shaw & Beal, local attorneys for plaintiffs, who filed with the court a letter from William M. Rummler, of Chicago, plaintiffs' principal counsel, reciting points which he requested the court to bring to the attention of the Court in opposition to the motion.

That his Honor, Judge Orr, having heard and determined the question of defendant's right to the entry of a final decree of the form shown in the decree of January 7, 1917, accordingly entered the same and thus disposed of the controversy in accordance with the spirit and intent, as your petitioner understands it, of the mandate of this Court, which reinstated the bill as to said two patents and directed further proceedings in conformity with this Court's opinion, which necessarily contemplated a trial, or in the absence thereof, a decree which should terminate the litigation.

That on January 10, 1918, plaintiffs made a motion to vacate the said decree of January 7, 1918, which motion was argued pro and con by counsel for the respective parties on January 24, 1918, and was allowed by Judge Orr in an opinion filed on February 1, 1918, a copy of which appears in the transcript of record in support of this petition at page 256, and in accordance with which, on motion by the plaintiffs, Judge Orr, March 11, 1918, entered a decree which appears in the transcript of record at page 261, and which was in the following words:

"The petition of plaintiffs to vacate the decree in form entered January 7, 1918, having come on to be heard and having been argued by counsel, and the Court being fully advised in the premises, it is

231 "Ordered, adjudged and decreed that said decree in form entered on January 7, 1918, be and the same hereby is vacated, set aside, and held for naught.

"It is further Ordered, Adjudged and Decreed that as to patent Number 621,324 to Niels A. Christensen dated March 21, 1899, the bill of complaint stands dismissed for want of prosecution, with costs to defendant to be taxed under the direction of the clerk, and defendant to have execution therefor against the plaintiffs.

"Pittsburgh, March 11, 1918."

In the opinion vacating the decree of January 7th, Judge Orr gives the reason for his action as follows (Record, p. 258):

"The real reason for setting aside the decree or order of January 7, 1918, is because it is contrary to the fact in stating that the bill as to patent No. 621,324 was dismissed upon the merits."

What Judge Orr means by this appears in the preceding paragraph of the opinion (Record, p. 259), as follows:

"That decree [of January 7th] is not in conformity with the fact, inasmuch as it states as to patents Nos. 621,324 and 635,280 the bill of complaint is dismissed *on the merits*."

Of course, Judge Orr did not mean to say that the bill was not dismissed on the merits as to the second patent, because obviously that was the fact, since this Court had found that that patent was invalid because issued without warrant of law, and on October 1, 1917, Judge Orr had entered a separate decree "in accordance with the mandate of the Court of Appeals" to that effect (Record, p. 127).

Following the sentence quoted above, Judge Orr says (Record, p. 258):

"The merits of the controversy were not considered by the Court. By the use of the expression 'merits of the controversy' is not meant the relative rights—moral, ethical or pecuniary—between the parties but merely the 'subject matter of the litigation.' The subject matter of the litigation as a matter of fact was not considered by the Court at the time such decree was entered, and in that respect the decree was contrary to the fact."

232 This fact is wholly immaterial, and affords no legal reason for setting aside the decree of January 7th and destroying defendant's right to have an end of the litigation. The expression "on the merits," like "by confession" in a decree against a defendant for failure to answer a bill of complaint, may be said to be a legal fiction. It is not an absolute expression or necessarily a statement of fact, but of definition—it defines the scope or character of the decree. The decree may in fact have resulted from a trial on the merits, or it may not; but, in the latter case, it would result from the fact that a point or condition of the litigation had been reached which entitled a party to a decree of that scope. Thus failure of a defendant to answer entitles a plaintiff to a decree on the merits. So, also, we contend, under the present equity rules, the default of a plaintiff at the trial entitles a defendant to a dismissal on the merits as shown by the pleadings.

Bigelow on Estoppel (p. 73) says "that judgment by default, like judgment on contest, is conclusive of what it actually professes to decide as determined from the pleading."

Examples of decrees on the merits by confession for failure to file an answer are found in

Thomson v. Wooster, 114 U. S., 111,

Pendleton v. Evans, E. Dist. Pa., 19 Fed. Cases 141, and of the decrees on the merits by default of plaintiff are found in

Lyon v. Perin Mfg. Co., 125 U. S., 698.

Am. Bell Tel. Co. v. W. U. Tel. Co., 89 F. 666 (C. C. A., 1st).

So, in the present case, the expression merely indicates that a trial on the merits is no longer open to the plaintiffs, and not that the merits were actually tried.

In explanation of his action in entering the decree of January 7th, Judge Orr says (Record, p. 258):

"What operated upon the mind of the Judge who entered the decree of the Court was the insistence by defendant's counsel in the language quoted: 'That the plaintiff should not be allowed to obtain by indirection that which he was not permitted to obtain by direction.' In explanation of that, it was urged that because of the reversal by the Court of Appeals of the decree dismissing the bill at plaintiff's own instance, that therefore, the plaintiffs, by staying away from the trial, ought not to be able to effect a dismissal of their bill for want of prosecution."

233 If for the words "for want of prosecution" the words "which would leave them free to prosecute their action elsewhere" were substituted, the above statement would correctly represent the position taken by petitioner's counsel.

Petitioner further shows that after the close of the May Term and the expiration of the conditional period of the order of October 1, 1917, petitioner made a motion to dismiss the suit in Chicago brought after the present suit by plaintiffs against your petitioner for the same subject-matter, the bills of complaint being identical (Record, p. 240), and plaintiffs in opposing the motion took the ground that as to the first patent petitioner had no decree of dismissal on the merits, but only as to the Pittsburgh suit, that the order of October 1, 1917, put plaintiffs back into the same position as they were upon the former decree of "dismissal without prejudice," dated February 24, 1917 (Record, p. 102), which was reversed by this Court (Record, p. 123) and that they were entitled to continue the litigation. Thereupon, Judge Kohlsaat withheld his decision on the motion to dismiss until petitioner should have an opportunity to move for a final decree on the merits in the Pittsburgh case. The motion was made promptly, and resulted in the decree of January 7, 1918, and upon the argument of the motion the above facts were stated to Judge Orr. In Mr. Rummel's letter filed at the hearing by Mr. Heard, representing plaintiffs' local solicitors, Mr. Rummel reiterated the opinion that plaintiffs, by lack of prosecution of the Pittsburgh suit, were restored to the position they occupied under the former decree of dismissal without prejudice. He said:

"Even if said Patent No. 635,280 be regarded as not the correct evidence of such contract, as was found by your Court of Appeals, we do not see how this would have prevented the District Court from dismissing *without prejudice* as to Patena No. 621,324, so that the entire bill would have stood dismissed without prejudice *with exactly the same effect* as it was dismissed by Judge Orr on February 24th, 1917."

When the motion to vacate the decree of January 7th was made Judge Kohlsaat, at the request of plaintiffs' counsel, withheld the order of dismissal of the Chicago suit, which he stated he would grant in view of the decree of January 7th, to await the result of the motion to vacate the latter, and when Judge Orr granted the motion to vacate, defendant withdrew the motion to dismiss the Chicago suit pending the result of this petition.

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Your petitioner therefore submits that its lawful rights are seriously prejudiced by the vacation of the decree of January 7, 1918, and the entry of the decree of March 11, 1918, and that such vacation of the decree was contrary to the spirit and intent of the mandate of this Court reversing the decree of dismissal "without prejudice" entered by the District Court on February 24, 1917.

Your petitioner therefore prays that a writ of mandamus issue out of this court, addressed to the Honorable Charles P. Orr, Judge of the District Court aforesaid, directing him to reinstate the decree of January 7, 1918, or that a writ of certiorari issue to the District Court aforesaid, requiring it to certify and send to this Court a full and complete transcript of the record, in order that this Court may fully review the matter set up in this petition, to-wit, the setting aside of the decree of January 7, 1918, and that your petitioner may have such other and further relief in the premises as to this Court may seem appropriate.

JAMES K. BAKEWELL,
PAUL SYNNESTVEDT,
THOMAS B. KERR,
Counsel for Petitioner.

35 In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY.

Affidavit of James K. Bakewell.

(Dated January 19, 1918.)

COUNTY OF ALLEGHENY,

State of Pennsylvania, ss:

Before me, the undersigned authority, personally appeared James K. Bakewell, who being duly sworn, deposes and says:

I am an attorney at law and solicitor for the defendant in the above-entitled suit, having my office in the Oliver Building in the City of Pittsburgh in said county and State: On Saturday, November 9, 1917, a few moments before noon, I made application to the clerk of the District Court in the above-entitled suit, for a certificate that plaintiff had made no motion during the May Term to vacate the order of Court of October 1, 1917, dismissing the bill for want of prosecution; that the clerk refused to give me such a certificate on the ground that the May Term did not close until 12 o'clock Sunday night, November 11, 1917, when the November Term began;

that on November 12, 1917, the first day of November Term, I applied for and obtained from the clerk the desired certificate, of which the annexed is a copy.

JAMES K. BAKEWELL

Signed and sworn to this 29th day of January, A. D. 1918.

SUE B. FRITZ,

[SEAL.]

Notary Public.

My commission expires February 21, 1919.

Certificate.

I, J. Wood Clark, Clerk of the United States District Court for the Western District of Pennsylvania, do hereby certify that an order was entered October 1, 1917, dismissing the above-entitled case for want of prosecution, and that no motions to vacate said order or any other papers have been filed since that date and that the term at which said order was entered has expired.

Dated November 12, 1917.

J. WOOD CLARK,

Clerk U. S. District Court, Western

[SEAL.]

District of Pennsylvania.

Certified from the record, this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,

[SEAL.]

Clerk.

(Received and filed, February 5, 1918, U. S. D. C., W. D. Pa.)

In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY

v.

WESTINGHOUSE TRACTION BRAKE COMPANY.

Notes of Hearing, October 1, 1917.

And now Monday, October 1, 1917, this case came on for hearing before Honorable Charles P. Orr, Judge.

Appearances, John G. Frazer, Esq., representing Messrs. Re Smith, Shaw & Beal, appeared as local counsel on behalf of the plaintiff, Messrs. Rummeler & Rummeler, of Chicago, plaintiff's principal counsel, not appearing.

Messrs. J. K. Bakewell (of Pittsburgh), Thomas B. Kerr and E.

ward A. Wright (of New York) and Paul Synnestvedt (of Philadelphia) appeared for defense.

Mr. Frazer did not appear until sent for, and then stated that he has been out of the city for some time, and was not aware, until notified by the Court this morning to appear, that this case had been set for trial.

Counsel for defense moved the Court for a dismissal of the bill in so far as it relates to Patent No. 635,280, as invalid, the same having been issued without authority of law, in accordance with the mandate of the Court of Appeals.

Whereupon the Court directed and found that Patent No. 635,280, to Niels A. Christensen, dated October 17, 1899, was issued without warrant of law, and that the bill should be dismissed with respect to that patent, with costs charged to the plaintiffs; the Court of Appeals having found that, in its opinion, and by its mandate having sent the case back for further proceedings, in accordance with that opinion and mandate, this Court now enters a decree adjudging said Patent No. 635,280 as being invalid.

Mr. Bakewell, of counsel for defense, stated to the Court that he had by letter notified the principal counsel for plaintiff, Messrs. Rummeler & Rummeler, that application would be made to the Court on September 3, 1917, for the fixing of the date of final hearing in this case; at which time this date, October 1, 1917, was set by the Court.

Whereupon counsel for defense moved that this bill be dismissed at the costs of the plaintiffs, for want of prosecution.

The Court thereupon made the following ruling:

"With respect to Patent No. 621,324, the defendant appearing, by its counsel, and the plaintiffs not appearing by counsel representing them, except by local counsel required under the rules to be associated with foreign counsel, and motion having been made by the defendant that the bill be dismissed for want of prosecution, that motion must be sustained; but it not appearing that the principal counsel for the plaintiff have had actual notice of the time fixed for the final hearing in this case, and it being questionable whether or not local counsel had actual notice thereof, this Court, over objections by Mr. Frazer, who has been the local associate of the plaintiff's principal counsel, does now dismiss this bill, for want of prosecution, with leave to the plaintiff at any time during the pending term to ask for a setting-aside of this decree for proper cause shown."

To which order counsel for plaintiff, through Mr. Frazer, excepts, and the exception is noted.

A similar motion and order and decree was made as to case at No. 91, November Term, 1916, In Equity, being a case between the same parties, represented by the same counsel.

Certified from the record, this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,
Clerk.

[SEAL.]

(Received and filed October 1, 1917, U. S. D. C., W. D. Pa.)

238 In the District Court of the United States for the Western
District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

**NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING
COMPANY, Plaintiffs,**

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Notice of Motion.

William R. Rummler, Esq., Counsel for Plaintiff, Chicago, Ill.:

Please take notice that on January 3, 1918, at 10 a. m., or as soon thereafter as counsel can be heard, I shall move the Court to enter the decree hereto appended, finally disposing of all the issues in this cause,

THOMAS B. KERR,
Counsel for Defendant.

Chicago, Ill., December 31, 1917: Received copy of above notice and decree.

WM. R. RUMMLER,
Counsel for Plaintiff.

Final Decree.

This cause having come on to be heard, upon consideration thereof it was Ordered, Adjudged and Decreed, as follows, viz.:

That as to Patents Nos. 680,842, 753,954 and 914,699, the bill be dismissed without prejudice to the rights of plaintiffs or either of them; provided, however, that all depositions heretofore taken hereon may be used in any pending or subsequent litigation between plaintiffs and defendant, or their privies;

That as to Patents Nos. 621,324 and 635,280, the bill of complaint is dismissed on the merits;

And that defendant do recover its costs to be taxed under the direction of the clerk and have judgment and execution therefor against the plaintiffs.

Pittsburgh, January 7, 1918.

PER CURIAM.

Certified from the record, this twenty-fifth day of February, A. D. 1918.

[SEAL.]

J. WOOD CLARK,
Clerk.

Filed January 7, 1918.

(Received and filed January 7, 1918, U. S. D. C., W. D. Pa.)

In the District Court of the United States for the Northern District of Illinois, Eastern Division.

In Equity. No. 621.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Certified Copy of Defendant's Motion in Illinois Case in Support of Plaintiff's Petition to Vacate Decree of January 7, 1918, or Grant Rehearing Thereof.

Notice.

William R. Rummler, Esq., Solicitor for Plaintiffs, Tribune Building, Chicago, Ill.

Sir:

Please take notice on Friday, December 7, 1917, at the meeting of the court, or as soon thereafter as counsel can be heard, we will move to dismiss the bill of complaint as to Patents Nos. 621,324 and 635,280 for the reasons set forth in the motion to that effect, a copy of which, together with the copy of the documents set forth therein and accompanying the same, we hand you herewith.

BROWN, HANSON & BOETTCHER,
Solicitors for Defendant.

Chicago, Illinois, December 1, 1917.

Service of a copy of the above notice, and of the motion and accompanying documents is hereby admitted.

WM. R. RUMMLER,
Solicitor for Plaintiffs.

Motion of Defendant to Dismiss the Bill as to Patents Nos. 621,324 and 635,280.

The defendant, by its counsel, Brown, Hanson & Boettcher, hereby moves the Court to dismiss the bill of complaint as to Patents Nos. 621,324 and 635,280, by reason of the following facts:

On March 11, 1916, the plaintiffs filed a bill of complaint in the United States District Court for the Western District of Pennsylvania, at Pittsburgh, Pennsylvania, No. 80, May Term, 1916, against this defendant for the infringement of Letters Patent Nos. 621,324, 635,280 and 680,842, here in suit, said bill being identical in form with

the bill of complaint which was filed in this suit on March 14, 1916.

On April 17, 1916, defendant filed its answer in the Pittsburgh suit; on May 25, 1916, the Pittsburgh bill was amended by adding two other patents of which infringement was charged, and on June 1, 1916, the defendant filed an answer to the amended bill.

Both parties took depositions *de bene esse*, and the case was set down for trial on January 22, 1917, but on January 20, 1917, the trial was postponed upon application of plaintiffs to February 13, 1917. On February 13, 1917, plaintiffs filed a motion to dismiss the bill and defendant filed an answer to said motion and also a motion for judgment on the record on Patents Nos. 621,324 and 635,280. The various motions were duly argued before Judge Orr of said court, and on February 21, 1917, Judge Orr filed an opinion granting plaintiffs' motion to dismiss, and an order to that effect was entered on February 24, 1917. On March 1, 1917, defendant filed a petition for

rehearing, which was not allowed by the Court.

241 On April 23, 1917, defendant filed a petition in the United States Circuit Court of Appeals for the Third Circuit for a writ of certiorari or a writ of mandamus, addressed to the said District Court, requiring it to certify the record to said Court of Appeals for review, or to proceed to the trial and determination of the merits of the matters raised under the facts set up in the bill and admitted in the answer, with respect to Patents Nos. 621,324 and 635,280. The petition came on for hearing on June 15, 1917, and the matter was argued on its merits, and on July 3, 1917, the Court of Appeals filed an opinion sustaining the petition and holding that Patent No. 635,280 had been issued contrary to law and was void, and on August 3rd issued its mandate to the District Court, reversing its decree of dismissal so far as Patents Nos. 621,324 and 635,280 were concerned and directing further proceedings in accordance with the opinion.

The case went back to the District Court, and was placed on the trial calendar for call on September 3, 1917, when October 1, 1917, was fixed for the trial on the merits as to Patent No. 621,324.

On October 1st the case came on for trial, when on motion of defendant's counsel, the Court entered a decree dismissing the bill as to Patent No. 635,280 as invalid in accordance with the mandate of the Court of Appeals, and, as the plaintiffs did not appear and prosecute their suit as to Patent No. 621,324, the Court entered an order of decree dismissing the bill as to that patent for lack of prosecution. But that Court coupled the decree for dismissal as to Patent No. 621,324, with the provision of "leave to the plaintiff at any time during the pending term to ask for a setting aside of this decree for any cause shown." The term then pending was May Term, 1917, which expired on November 12, 1917, with the beginning of the November 1917, Term of said court, but no motion or request was made by plaintiffs to set aside the decree of dismissal, and, therefore, the decree became absolute on the expiration of the term.

In support of this motion and proof of the foregoing facts, defendant files herewith as a part of this motion, certified copies of (1) the petition to the United States Circuit Court of Appeals for the Th

Circuit, (2) the transcript of record from the District Court for the Western District of Pennsylvania, showing all the proceedings in the District Court, (3) the opinion and (4) mandate of the Court of Appeals, (5) the decree of the District Court dismissing the bill as to patent No. 635,280, (6) the notes of trial including the decree dismissing the bill as to Patent No. 621,324, which were dictated by Judge Orr from the bench, (7) the entry of the order of dismissal on the equity calendar, (8) the certificate of the clerk, dated November 14, 1917, that no motion was entered during the term to set aside the decree of dismissal, and (9) the docket entries in the case.

Chicago, Illinois, December 1, 1917.

THOMAS B. KERR,
CHARLES A. BROWN,
Counsel for Defendant.

Clerk's Certificate.

In the United States District Court, for Northern District of Illinois,
Eastern Division.

I, T. C. MacMillan, Clerk of the District Court of the United States of America, for the Northern District of Illinois, do hereby certify the above and foregoing to be a true and correct copy of notice and motion of defendant to dismiss the bill as to Patents Nos. 621,324 and 635,280, filed in Cause No. 621, In Equity, Niels A. Christensen, et al., v. Westinghouse Traction Brake Company, as same appears from the originals filed in said court, on the seventh day of December, A. D. 1917, and now remaining in my custody and control.

In testimony whereof, I have hereunto set my hand and affixed the seal of said Court at my office in Chicago, in said district this twenty-second day of January, A. D. 1918.

[SEAL.]

T. C. MacMILLAN,
By ARTHUR E. CLAUSEN,
Deputy.

Certified from the record this twenty-fifth day of February, A. D. 1918.

[SEAL.]

J. WOOD CLARK,
Clerk.

(Received and filed January 24, 1918, U. S. D. C., W. D. Pa.)

243 In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Defendant's Bill of Costs.

Witness Fees—Attendance:

1. Edward J. Wessels, 4 days	\$6.00	
2. Henry P. Merriam, 3 days	4.50	
3. Joseph Colvin, 2 days	3.00	
4. Edward H. Dewson, 4 days	6.00	
5. Andrew J. Brislin, 1 day	1.50	
6. James Watt, 1 day	1.50	
7. William B. Potter, 5 days	7.50	
		<hr/>
		\$30.00

Examiners' Fees:

July 22, 1916, Paid Sidney C. Ormsby Co. for transcribing depositions of Edward J. Wessels, Henry P. Merriam, Joseph Colvin, Edward H. Dewson, Andrew J. Brislin, James Watt (620 folios, original and two copies)	130.20
Alexander Gilchrist, Jr., Notary, Attendance May 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, June 14, 16, 17—13 days ..	39.00
Certifying defendant's record for file, 620 folios, at 10 cents	62.00
Marking 24 exhibits at 25 cents	6.00
Sept. 27, 1916, Paid George G. Schieffelin, Notary, 5 days. To transcribing depositions of William B. Potter, Maxwell W. Day, Edward D. Priest, Sam H. Libby and J. N. Buckley, 77 folios, original and two copies	15.00
	16.00

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Marking 12 exhibits at 25 cents	3.00
June 21, 1916, paid for printing defendant's record	197.40
November 15, 1916, W. J. Buckley, Notary, one copy Plaintiff's record, depositions of R. P. Tell, W. J. Richards, H. W. Cheney, E. H. Bottum, John H. Hurley, William B. Crawford and B. T. Becker, 969 folios	96.90
April 2, 1917, Clerk's fees, transcript of record for Circuit Court of Appeals	20.00
Cost of Proceedings in Circuit Court of Appeals as specified in the Mandate	150.00

\$765.50

Certified from the record, this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,
Clerk.

[SEAL.]

(Received and filed December 10, 1917, U. S. D. C. W. D. Pa.)

245 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Objections to Defendant's Bill of Costs.

Mr. James K. Bakewell, of Counsel for Defendant, and J. Wood Clark, Clerk of the Court.

SIRS:

Please take notice that for the following reasons plaintiffs object to taxation against them of defendant's bill of costs, copy of which has heretofore been served on the solicitors for plaintiffs:

1. The bill of costs has not been verified.
2. There has been no final determination of the issues in the cause.
3. It is not shown that the items, the cost of which defendants seek to have taxed, were material, necessary, and indispensable to the issues involved in the cause.
4. The statute permits a taxation of costs on depositions only when admitted in evidence. None were admitted in this case, as there was no trial.

Respectfully submitted,

WM. R. RUMMLER,
REED, SMITH, SHAW & BEAL,
Of Counsel for Plaintiffs.

Certified from the record, this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,
Clerk.

[SEAL.]

(Received and filed December 26, 1917, U. S. D. C., W. D. Pa.)

246 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Affidavit in Support of Plaintiffs' Petition to Vacate Decree of January 7, 1918, or Grant Rehearing Thereon.

STATE OF NEW YORK,
County of New York, ss:

Willett M. Spooner, being first duly sworn, deposes and says, as follows:

I am a member of the firm of Lines, Spooner & Quarles of Milwaukee, Wisconsin, who are the attorneys and principal counsel for the above-named plaintiffs in the action above entitled.

That there is pending in the United States District Court for the Northern District of Illinois an action between the same parties hereto and involving substantially the same issues and subject-matter and that said action was commenced at about the same time as the above-entitled action.

That on the first day of October, 1917, there was duly entered in this court a final decree dated that day dismissing United States Patent 635,280 on the merits and which said final decree is now in full force and effect. That at the same time and place the above-entitled court duly made and entered a final decree in this cause upon motion of the defendant dismissing United Patent 621,324 for want of prosecution, which said final decree last mentioned of October 1, 1917, is hereby referred to and made a part of this affidavit. That the plaintiffs during said term at which said final decree was made and entered did not make application in any way for leave to vacate or set aside or open up said final decree and the same became upon the end of the said term of the above-entitled court, at which
the same was made and entered and filed, a final decree finally
247 and fully dismissing for want of prosecution the above-entitled cause, and that said last mentioned final decree is now and ever since has been in full force and effect.

That thereafter and after the end of the said term of the above-entitled court at which said last mentioned final decree was made, filed and entered of record, to-wit, on or about January 7, 1918, and at a subsequent term of the above-entitled court upon motion of said defendant, a further and pretended final decree was attempted to be made, filed and entered in the above-entitled cause in said court purporting to dismiss this cause as to said United States Patent 621,324

upon the merits, and purporting also to dismiss United States Patents 635,280 likewise on the merits, and 680,842, 753,954 and 914,699 without prejudice to the rights of plaintiffs or either of them and upon the conditions in said order mentioned, and reference whereunto is hereby made for greater particularity.

The bill in this cause was dismissed by this Honorable Court without prejudice to the rights of the plaintiffs or either of them and upon the conditions therein mentioned by a certain order and decree entered by this court in this cause in February, 1917, and which said order and decree was thereafter by the Court of Appeals of the Third Circuit as to said three last above-mentioned patents in all things affirmed and ever since has been and is now in full force and effect. By said order and decree of October 1, 1917, made, dated, entered and filed in this cause on October 1, 1917, which is still in full force and effect, the bill of complaint in this cause was as to said Patent 635,280 dismissed on the merits.

That said decree of October 1, 1917, dismissing the bill as to said Patent 621,324, for want of prosecution, with leave to the plaintiffs within the term at which the same was made and entered to apply for a setting aside of this decree for proper cause shown, was thereafter brought to the notice and attention of plaintiffs' counsel. That plaintiffs' counsel refrained from making any motion to vacate said decree within said term or at any other time because they were satisfied therewith and because they had moved for a decree of similar purport and effect theretofore and were satisfied and believed that said decree was the only decree that could probably and lawfully be entered upon the record and proceedings in the above-entitled cause and upon the motions theretofore made with
248 the same effect by both parties herein, and in consequence thereof plaintiffs' counsel acquiesced in said final decree of October 1, 1917, and believed that this cause in consequence was finally ended and dismissed, for want of prosecution, at the end of said term, and during all of said time and ever since have in good faith acted upon that belief and understanding and have conducted themselves accordingly.

That during the month of December, 1917, defendant, by its counsel, appeared on their motion in the action between the parties hereto pending in the District Court for the Northern District of Illinois as above referred to and formally moved that the action pending in said Illinois court be dismissed on the merits upon the ground that the aforesaid decree of October 1, 1917, dismissing said Patent 621,324, for want of prosecution, in this court was a final decree when the term of this court, in which it was entered, had expired, because counsel for plaintiffs did not appear or take any steps to have the same set aside during that time, and pursuant to leave granted by the said decree and in support of said motion filed in said District Court of Illinois a certified copy of said decree, as I am informed and verily believe to be true.

Defendant's counsel argued said motion, electing to treat said decree of October 1, 1917, as to said Patent 621,324 as a final decree and as a bar to said action in the District Court of Illinois. Plain-

tiffs' counsel appeared upon the hearing of said motion in Illinois and assented and agreed with defendant's counsel that said decree of October 1, 1917, as to said Patent 621,324 was in all respects a final decree but plaintiffs' counsel then and there contended that as such final decree it was no bar to said suit in said District Court of Illinois.

Thereafter and on or about January 14, 1918, the defendant in this action, which is the defendant in said Illinois action, filed a copy of a further and purported final decree entered in this cause at Pittsburgh on January 7, 1918, purporting to dismiss the bill of complaint in this cause upon the merits as to said Patents 621,324 and 635,280 and have ever since and are now asserting in said court that said decree last mentioned is not only a final decree but is also a bar to the further prosecution of said Illinois suit. That said defendant's motion in the Illinois case is still pending and undetermined and is set for hearing on January 28, 1918.

That the plaintiff, Allis-Chalmers Manufacturing Company, is a mere nominal party-plaintiff herein and has always and does now refuse to participate in any shape, manner or form in said litigation, excepting only to lend its name as party-plaintiff and that it is not interested in the event of this cause or of the recovery herein, and that the real party in interest is, and at all times has been, the above-named plaintiff N. A. Christensen.

I am familiar with the financial status of said plaintiff Christensen as disclosed by affidavits heretofore filed in this court, which said affidavits are hereby referred to and made a part hereof with the same force and effect as if the subject-matter therein had been set out specifically in this affidavit, and upon information and belief, that the financial status of the said plaintiff Christensen is now and ever since has been the same as it was when said affidavits referred to were duly filed in this court. That said Christensen has failed, by reason of financial inability, to compensate his counsel or to pay for a large portion of the expenses incurred in this and other litigation relating to the patents herein referred to, such expenses being in the main unpaid.

That there has been no hearing, trial or trials of the issues involved in the action above entitled and no presentation of facts of any name, nature or description to this court relating to the merits involved in the litigation as above entitled. That said alleged decree of January 7, 1918, does not conform to the truth or the facts or recite the actual status of the case and has been urged by defendant in Illinois as a bar to the prosecution, on the merits, of said plaintiff against the said defendant, and said decree if permitted to stand will work serious and irreparable injury and damage to the plaintiff, may deprive him of his day in court and the prosecution of his just rights against defendant, and subject him to costly, unnecessary and otherwise burdensome litigation which may through lapse of time and constant litigation through the various courts of the United States in effect deprive him of his opportunity to have his claim heard by the court on the merits.

This action was brought in good faith and but for the financial

inability of said Christensen as hereinbefore stated the same would have been prosecuted to a conclusion.

This affidavit is made in support of plaintiffs' petition for the vacating of said decree of January 7, 1918 or in the alternative for a rehearing thereon.

WILLET M. SPOONER.

250 Sworn to before me this 23d day of January, 1918.

SAMUEL BRENNER,

[SEAL.]

Notary Public, Kings County.

Certificate filed in New York County.

Kings County Clerk's No. 189.

Kings County Register's No. 8175.

New York County Clerk's No. 502.

New York County Register.

My commission expires March 30, 1918.

Received copy January 23, 1918, at 4:50 P. M.

THOMAS B. KERR,

Counsel for Defendant.

Certified from the record, this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,

[SEAL.]

Clerk.

(Received and filed January 24, 1918, U. S. D. C., W. D. Pa.)

In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,
against

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Amendatory and Supplemental Petition for Vacation and Rehearing of Decree.

And now come the petitioners, Niels A. Christensen and Allis-Chalmers Manufacturing Company, and respectfully file this, their petition for a vacation of and rehearing on the final decree in form entered herein on the seventh day of January, 1918, and respectfully allege the following special matter and causes in support thereof, to-wit:

251 I. That on the first day of October, 1917, defendant moved the Court for an order dismissing the bill herein at the cost

of plaintiffs for want of prosecution as to all matters and facts and things therein contained, excepting only as to Patent No. 635,280 and the Court thereupon entered a decree dismissing said bill for want of prosecution as to all the matters, facts and things in said bill contained, excepting only as to said Patent No. 635,280, with leave, however, to plaintiffs during said term to ask for a setting aside of said decree for proper cause shown.

II. That said decree of October 1, 1917, was treated by the parties to the above-entitled proceedings as a decree, it reciting on the face thereof that it was a decree. Plaintiffs, being satisfied therewith and having heretofore asked that the complaint be dismissed without prejudice, permitted said decree to stand, and defendant treated it as a final decree by attempting to tax costs thereon, and by making motion duly verified, in a further proceeding between the parties hereto then and now pending in the United States District Court for the Northern District of Illinois, wherein the parties plaintiff herein are the parties plaintiff and the party defendant herein is the defendant, said motion asking that said suit last mentioned be dismissed on the allegation that said decree of October 1, 1917, was a final decree in the above-entitled proceedings.

III. That after the expiration of said term, defendant asked for the entry of a further, other and different decree herein, and the Court in form entered such a decree on the seventh day of January, 1918, in form dismissing the bill of complaint herein on the merits as to Patent No. 621,324.

IV. That because of conditions arising through no fault of counsel for plaintiffs, and which are more particularly set out in the affidavits of Willet M. Spooner and Louis Quarles, filed on the tenth day of January, 1918, reference to which is hereby made, attorneys for plaintiffs were unable to and did not appear and oppose the entry of said decree so in form entered on the seventh day of January, 1918. That said decree so in form entered is prejudicial to plaintiffs for the following reasons, among others, to-wit:

1. It is void for want of jurisdiction, having been entered subsequent to the expiration of the term at which the true final decree herein was entered, to-wit, the decree of October 1, 1917:

2. It in terms dismisses the above-entitled proceedings as to all matters except Patent No. 635,280 on the merits, whereas in truth and in fact no trial, hearing or decision has been had upon the merits;

3. It departs from the decree of October 1, 1917, and does not conform to the motion of defendant's counsel that the decree be dismissed as to all such matters for want of prosecution, or as to plaintiffs' motion to the same effect that the decree be dismissed without prejudice;

4. Its entry is not warranted by the mandate of the United States Circuit Court of Appeals of the Third Circuit heretofore filed hereon on the third day of August, 1917;

5. It was entered without consideration by the Court of the question of its want of jurisdiction of the subject-matter herein as to Patent No. 621,324, because the bill was filed and a subpoena ad respondendum served too late.

Plaintiffs file herewith, as a part of and in support of this petition, the affidavit of Willet M. Spooner, and a certified copy of defendant's motion for judgment in the said motion in the Northern District of Illinois.

Wherefore, petitioners pray that said Court vacate said decree in form entered on the seventh day of January, 1918, for want of jurisdiction, and in the alternative, that it grant a rehearing thereon and enter a decree either dismissing the bill herein as to Patent No. 621,324 for want of jurisdiction, or in the alternative, dismissing it for want of prosecution.

And your petitioners, as in duty bound, will ever pray, etc.

NIELS A. CHRISTENSEN,
ALLIS-CHALMERS MANUFACTURING
COMPANY.

By REED, SMITH, SHAW & BEAL,
LINES, SPOONER & QUARLES,

Their Attorneys.

Dated January 23, 1918.

We hereby certify that we are of counsel for the petitioners herein, Niels A. Christensen and Allis-Chalmers Manufacturing Company; that the allegations of fact contained in said petition are true. That said petition, in our opinion, is well founded in law.

JOSEPH B. COTTON,
WILLET M. SPOONER,
LOUIS QUARLES.

253 Received copy January 23, 1:30 p. m.

THOMAS B. KERR,
Counsel for Defendant.

Certified from the record this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,
Clerk.

[SEAL.]

(Received and filed January 24, 1918, U. S. D. C., W. D. Pa.)

Willet M. Spooner, and knows the contents thereof, and that the same is true. Affiant further says that he concurs fully in the opinion in the aforesaid affidavit contained.

LOUIS QUARLES.

Sworn to and subscribed before me this 10th day of January, A. D. 1918.

[SEAL.]

L. H. DERKEN,
Notary Public.

Certified from the record this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,
Clerk.

(Received and filed January 10, 1918, U. S. D. C., W. D. Pa.)

256 In the District Court of the United States for the Western District of Pennsylvania, May Term, 1916.

In Equity. No. 80.

NIELS A. CHRISTENSEN et al.

v.

WESTINGHOUSE TRACTION BRAKE CO.

Opinion.

ORR, J.:

An application has been made on the part of the plaintiffs to vacate a decree entered in this court on the seventh day of January 1918. The application was made on January 10th. Notice was given to the counsel for the plaintiffs on the 31st of December, 1917, that application was made by the defendant to have a decree entered on January 3rd, 1918, and a form of such decree accompanied said notice. The application was made by the defendant at the time fixed and the matter was held until the 7th of January, when the decree was entered. The plaintiffs' counsel, in the affidavits in support of their present motion, present a sufficient excuse for not being present at the time fixed in the notice served upon them, to-wit, that storm conditions were of such a character that they were unable to give the matter the attention which it deserves. A brief statement of some of the features of this litigation may be proper.

The case, being ready for trial near the close of 1916, was set for trial early in the year 1917. Prior to the time fixed for trial, this Court permitted the defendant to have its bill dismissed, and entered a decree to that effect, imposing certain terms. The decree of this Court was subsequently reversed by the Circuit Court of Appeals with respect to certain of the patents involved, and the bill was reinstated for further proceedings with respect to said patents, in con-

formity with the opinion of the Circuit Court of Appeals. Again the case was on the trial list in this court and fixed for trial on October 1, 1917. On that day the plaintiffs failed to appear, and thereupon counsel for the defendant presented to the Court a form of decree which conformed with the mandate of the Circuit Court of Appeals which disposed of subject-matter of the controversy between the parties, excepting the rights of plaintiffs under Patent No. 621,324. In the absence of the plaintiffs, when the case was called for trial, the solicitors for the defendant moved the Court that the bill be dismissed at the cost of the plaintiffs, for want of prosecution, and thereupon the Court made the following ruling:

"With respect to Patent No. 621,324, the defendant appearing, by its counsel, and the plaintiffs not appearing by counsel representing them except by the local counsel required under the rules to be associated with foreign counsel, and motion having been made by the defendant that the bill be dismissed for want of prosecution, that motion must be sustained; but it not appearing that the principal counsel for the plaintiff have had actual notice of the time fixed for the final hearing in this case, and it being questionable whether or not local counsel had actual notice thereof, this Court, over objection by Mr. Frazer, who has been the local associate of the plaintiffs' principal counsel, does now dismiss the bill, for want of prosecution, with leave to the plaintiff at any time during the pending term to ask for a setting aside of this decree for proper cause shown."

To that ruling the defendant did not except. It may be noticed also that the defendant did not offer any testimony which would throw any light upon the merits of the controversy then existing between the parties. The term expired without anything being done on behalf of the plaintiffs or by the defendant. Subsequently, on January 3, 1918, as aforesaid, the defendant presented the following decree, which this Court signed on the third day of January, as above stated:

"This cause having come on to be heard, upon consideration thereof, it was ordered, adjudged and decreed as follows, viz.:

"That as to Patents Nos. 680,842, 753,954 and 914,699, the bill is dismissed without prejudice to the rights of plaintiffs or either of them; provided, however, that all depositions heretofore taken herein may be used in any pending or subsequent litigation between plaintiffs and defendant, or their privies;

"That as to Patents Nos. 621,324 and 635,280, the bill of complaint is dismissed on the merits;

"And that defendant do recover its costs to be taxed under the direction of the clerk and have judgment and execution therefor against the plaintiffs.

"Pittsburgh, January 7, 1918."

That decree is not in conformity with the facts, inasmuch as it states that as to Patents Nos. 621,324 and 635,280 the bill of complaint is dismissed on the merits. The merits of the controversy were not considered by the Court. By the use

of the expression, "merits of the controversy," is not meant the relative rights—moral, ethical or pecuniary—between the parties, but merely the "subject-matter of the litigation." The subject-matter of the litigation as a matter of fact was not considered by the Court at the time such decree was entered, and in that respect the decree was contrary to the fact. What operated upon the mind of the Judge who entered the decree of the court was the insistence by the defendant's counsel in the language quoted: "That the plaintiff should not be allowed to obtain by indirection that which he was not permitted to obtain by direction." In explanation of that, it was urged that because of the reversal by the Court of Appeals of the decree dismissing the bill at plaintiffs' own instance, that therefore the plaintiffs, by staying away from the trial, ought not to be able to effect a dismissal of their bill for want of prosecution. The real effect of the words "upon the merits" in the decree were not seriously considered as they should have been had the principal counsel for the plaintiffs been present.

A number of questions are raised in this motion which are unnecessary to be considered, the chief of which is whether the order entered at the trial was such a decree as should not be changed after the term at which it is entered. The real reason for setting aside the decree or order of January 7, 1918, is because it is contrary to the fact in stating that the bill as to Patent No. 621,324 was dismissed upon the merits. In so far as that appears in the decree, the same must be set aside. No other decree ought to be entered than that in accordance with the proceeding had on October 1, 1917, upon plaintiffs' own motion to dismiss the bill for want of prosecution. In the absence of some evidence or other showing which could have been offered to enable the Court to determine the case with respect to the subject-matter of the litigation, an order must be entered, vacating the decree entered in this cause on the 7th of January, 1918.

Certified from the record this twenty-fifth day of February, A. D. 1918.

J. WOOD CLARK,

Clerk.

(Received and filed February 11, 1918, U. S. D. C., W. D. Pa.)

239 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY

v.

WESTINGHOUSE TRACTION BRAKE COMPANY.

Hearing on Petition for Decree to Vacate Former Decree.

And now, Monday, March 11, 1918, at 10 o'clock A. M., before Honorable Charles P. Orr, Judge, counsel for the respective parties appeared in court, the plaintiff being represented by John G. Frazer Esq. (of Messrs. Reed, Smith, Shaw & Beal), the defendant by James K. Bakewell, Esq.

Mr. Frazer, on behalf of the plaintiff, presented to the Court a form of decree, in accordance with the opinion of the Court recently filed setting aside a decree filed on January 7, 1918; said decree to vacate in form the decree entered on January 7, 1918; also decree that, as to Patent No. 621,324, to Niels A. Christensen, dated March 18, 1899 the bill of complaint stands dismissed for want of prosecution, with costs to defendant, to be taxed under the direction of the clerk, and defendant to have execution therefor against the plaintiff.

Mr. Bakewell: I desire, if the Court please, to enter an exception to the vacation of the form of decree.

I also except to the form of the new decree, in so far as it differs from the former decree that has already been entered, that is, the decree of January 7, 1918.

I also except to the entry of this new decree.

By the Court: The exceptions are allowed. I will enter this decree. If there is anything further, Mr. Bakewell, on which you desire to be heard, I will hear you. That decree of January 7th, 1918, is and was contrary to the facts.

Mr. Bakewell: We believe that we are entitled to a decree that goes to the merits of the case. Because, replications having been done away with, the answer should be taken exactly as a bill, pro confessor, where the defendant fails in the prosecution of a defense.

By the Court: That might be, if the answer asks for affirmative relief. But, as I understand it, the answer does not ask for that.

Mr. Bakewell: That may be true, but the answer sets up a defense which we contend should be sufficient.

By the Court: The Court does not believe that the position is sound. In order for a defendant to avail himself of the matters set up in his answer, where no affirmative relief is required, the defendant should offer evidence in support of the matters contained in his answer, if

he desires a decree upon the merits. I am clear upon that, Mr. Bakewell.

Mr. Bakewell: We take the opposite view—that it should follow the procedure as in the case of a bill, where no proof is required.

By the Court: The exceptions are noted.

Certified from the record, this eleventh day of March, A. D. 1918.

J. WOOD CLARK,
Clerk.

Hearing held Monday, March 11, 1918.

261 & 262 In the District Court of the United States for the Western District of Pennsylvania.

In Equity. No. 80.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS MANUFACTURING COMPANY, Plaintiffs,

v.

WESTINGHOUSE TRACTION BRAKE COMPANY, Defendant.

Decree Dismissing Bill of Complaint as to Patent No. 621,324.

The petition of plaintiffs to vacate the decree in form entered January 7, 1918, having come on to be heard, and having been argued by counsel, and the Court being fully advised in the premises, it is

Ordered, adjudged and decreed that said decree in form entered on January 7, 1918, be and the same hereby is vacated, set aside, and held for naught.

It is further ordered, adjudged and decreed that as to Patent No. 621,324 to Niels A. Christensen, dated March 21, 1899, the bill of complaint stands dismissed for want of prosecution, with costs to defendant to be taxed under the direction of the clerk, and defendant to have execution therefor against the plaintiffs.

Pittsburgh, March 11, 1918.

CHAS. P. ORR,
District Judge.

Certified from the record this eleventh day of March, A. D. 1918.

J. WOOD CLARK,
Clerk.

Filed March 11, 1918.

263 & 264 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1918.

No. 47.

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner,
against

Honorable CHARLES P. ORR, NIELS A. CHRISTENSEN, ALLIS-CHALMERS MANUFACTURING COMPANY, Respondents.

Respondents' Objections and Answer to Petition for Writ of Mandamus or Certiorari.

Joseph B. Cotton, Willet M. Spooner, William R. Rummeler, Louis Charles, of Counsel for said Respondents.

265 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1918.

No. 47.

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner,

v.

Honorable CHARLES P. ORR, NIELS A. CHRISTENSEN, ALLIS-CHALMERS MANUFACTURING COMPANY, Respondents.

Objections by Respondents Niels A. Christensen and Allis-Chalmers Manufacturing Company to Petition of the Petitioner for Writ of Mandamus or Writ of Certiorari from the Above-Entitled Court to the United States District Court for the Western District of Pennsylvania and to the Filing Herein of Such Petition.

Come now respondents Niels A. Christensen and Allis-Chalmers Manufacturing Company and make and file objections to the petition of the petitioner in the above entitled proceeding now presented to this Court for writ of mandamus or writ of certiorari from this Court to the United States District Court for the Western District of Pennsylvania and to the filing of such petition in this cause in this Court, as follows:

First. That said petition is wholly unverified by affidavit, and that no true, full and complete transcript of the entire record in the District Court below, duly and properly authenticated by the Clerk thereof and under the seal of that Court, accompanies said petition as a part thereof or as an exhibit thereto, and that in consequence such petition is not in compliance with the rules and practice of the Supreme Court of the United States and which practice has been

adopted as the practice of this Court by Rule 8 of its rules now in full force and effect.

Second. That said petition has no certificate of counsel attached thereto in effect that the allegations thereof are true and that said petition, in counsel's opinion, is well founded in law as is required by the practice in the Supreme Court of the United States obtaining in such cases.

Third. That upon the face of said petition and the pretended supplemental transcript of record presented and submitted therewith, it appears that said petition is inaccurate, omits or states imperfectly certain important facts, is in part untrue, and utterly fails to show any disregard or violation by the Court below of the decision and mandate of this Court at the March, 1917, term hereinafter and in said petition referred to; that said supplemental transcript contains inserts and headings by counsel which are no part of the record below, and is not a complete and entire transcript from the said Court below, and in consequence is not a true and complete supplement to the transcript filed herein at the March, 1917, term of this Court.

267 Fourth. That upon the face of said petition and said purported supplemental transcript of record it appears that a suit in equity was brought in March, 1916, by the said respondents against the petitioner in the District Court for the Western District of Pennsylvania upon (so far as here material) two certain letters patent of the United States, namely, No. 621,324 issued March 21, 1899, and No. 635,280 issued October 17, 1899; that the bill therein submitted the question as to which of these two patents was valid as an issue to be determined by the Court, and prayed for an injunction alternatively under the first patent or the second; that the bill and the answer, without regard to any other consideration, matter or defense, contained all the facts needed for a decision of this question on the merits as to these two patents; that the answer contained other alleged defenses, including the one of want of equity, in the bill; that on June 15, 1917, on a petition for writ of mandamus or writ of certiorari, without it being decided whether either writ would lie, but by agreement of counsel for both sides in open Court this Court heard arguments by counsel upon and considered the merits of the controversy as to the two patents, and on July 3, 1917, this Court decided that the second patent was invalid and that accordingly the said bill was reinstated only so far as it affected the two patents, and not otherwise; that thereupon the petitioner, by this Court's decision, was at liberty to urge any defense to the bill that was available under its answer with a like effect as if the bill had been originally brought only upon the first patent; that on all such matters this Court decided nothing and expressed no opinion as to whether, in view of the date when the bill was filed, the remedy in equity was open to the said respondents or in case the equitable remedy was available, to what extent, if any, the petitioner was liable to account in case the

268 Court below should find infringement; that the bill was reinstated by this Court for further proceedings in conformity with such decision; that thereupon the case was put on the regular trial calendar of the Court below, which was called on September 3, 1917, and was set for trial in the Court below on October 1, 1917; that the case came on for hearing in the Court below in the absence of said defendants and their counsel and thereupon, on said day, a decree was entered upon motion of the petitioner decreeing said second patent as invalid in accordance with the opinion and mandate of this Court, and at the same time, to wit, October 1st, 1917, the petitioner, by its counsel, moved that said bill, which then stood as if brought upon the first patent only be dismissed, at the cost of said respondents, for want of prosecution, whereupon the Court ordered and decreed that the Court "does now dismiss this bill for want of prosecution, with leave to the plaintiffs (said respondents) at any time during the pending (May, 1917) term to ask for a setting aside of this decree for proper cause shown", to which ruling and decree the petitioner, by its counsel, did not except but acquiesced therein; that said pending or May, 1917, term ended at midnight November 11, 1917, and that no motion or application was ever made by said respondents to vacate said order and decree of October 1, 1917, so dismissing said bill for want of prosecution; that thereafter and at a subsequent term of said Court, although opposed by counsel for said respondents, the Court below, on January 7, 1918, entered the decree on the merits, on motion of petitioner's counsel, as shown on page 4 of the printed petition; that on January 10, 1918, the said respondents, for reasons and grounds shown in said supplemental transcript, moved for a re-hearing and vacation of said decree of January 7, 1918; that said matter was argued on January 24, 1918, and
269 decided by the Court below by opinion filed February 11, 1918, and referred to in said printed transcript at pages 126 et seq.; that thereupon and in conformity with said opinion of February 11, 1918, said decree of January 7, 1918, was vacated and said decree of March 11, 1918, dismissing said bill for want of prosecution, with costs to petitioner, was made and entered in the Court below in said case (see page 6 of printed petition) and to review and reverse which this petition is sought to be filed in this Court.

That therefore, upon the face of said petition and said supplemental transcript of record, it appears that this case upon said bill as to the first patent came on for hearing and trial before the Court below on October 1, 1917, precisely in the same manner as any case in equity would; that the Court below then and there had and possessed all the powers, rights and legal discretion it ever possessed as to this case or as to any case in equity before it, with the sole exception that this Court had held said second patent was void and complying with which decision of this Court the Court below, on October 1, 1917, had entered a decree as to said second patent accordingly (see supplemental transcript, page 102); that in the absence of said respondents and their counsel on October 1, 1917, the petitioner had open and available all the remedies and procedure

it ever had in said cause as a party litigant; that it could, under its said answer, have moved for a dismissal of the bill for want of equity or for a dismissal thereof without prejudice or for want of prosecution or insisted on proceeding to trial, and then and there tried said cause and secured a decree of dismissal on the merits; that in lieu of any other remedy or course so open the petitioner, by its counsel, expressly moved for a dismissal for want of prosecution, with costs to said

respondents, and that the Court below in due and proper exercise of its sound, legal discretion granted petitioner's said motion and then and there entered an order and decree accordingly, dated October 1, 1917, and effective at the end of the May 1917, term if not set aside by the Court below for cause shown by said respondents; that thereupon the petitioner filed its bill of costs and undertook to tax the costs below in said cause and then and there thereupon, and at Chicago later, after said term had expired, in a similar case between the said parties considered, treated and expressly recognized said order and decree of October 1, 1917, dismissing said bill for want of prosecution, as a final decree and acted accordingly.

In consequence of the foregoing, said order and decree of October 1, 1917, dismissing upon petitioner's own motion said bill for want of prosecution, was and ever since has been and now is a final and conclusive decree and was and is entirely within the power and sound legal discretion of the Court below to make and enter and was and is fully authorized by the said opinion and mandate of this Court of July 3, 1917, in said petition referred to;

That said petitioner, having so elected to have such disposition made of the case and said order and decree of October 1, 1917, made and entered upon its own motion, is now and has always since said date been fully bound thereby, and is now and ever since said May 1917, term of the Court below expired has been estopped from attacking or questioning said order and decree or further proceeding in said cause either in the Court below or this Court;

That the Court below was wholly without jurisdiction to make and enter said decree of January 7, 1918, and which decree was and is wholly void.

Fifth. That upon the face of said petition and said supplemental transcript of record it appears that said decree of March 11, 1918, which was made by said Court wholly within its power and jurisdiction, is a final decree which is appealable, and that in consequence this petitioner has a speedy, adequate, full and complete remedy by writ of error or appeal to this Court either of which is its sole remedy under the law and adjudication of this Court and other similar courts.

Sixth. That the writ of mandamus or the writ of certiorari will not lie herein to control or abridge or deny the sound, judicial discretionary powers and acts of the Court below or to compel entry therein of a void decree or a decree exceeding or beyond jurisdiction or constitutional powers of the Court below.

Seventh. That as the decree of March 11, 1918, is a final decree and within the sound, judicial discretion of the Court below, which is appealable, this Court is without power or jurisdiction to issue either the writ of mandamus or the writ of certiorari in this proceeding.

Eighth. That the petitioner by said petition is attempting to have the writ of mandamus or the writ of certiorari issued as original process in this Court in this matter, to do which this Court is without power or jurisdiction under the Acts of Congress of the United States creating this Court and similar Circuit Courts of Appeal.

Ninth. That the sole purpose of said petition is to secure a review and reversal of the appealable decree and decision of the Court below of March 11, 1918, by writ of mandamus or writ of certiorari and without suing out a writ of error or taking an appeal under and in accordance with the law and settled practice of this Court and other

Circuit Courts of Appeal; that even if such right exists no ground or cause exists or is shown by said petition for the issuance of either the writ of mandamus or the writ of certiorari herein and that if granted upon this petition every appealable decree of the Court below, in any cause, will under such decision be reviewable here by writ of mandamus or writ of certiorari and in consequence writs of error or appeals will cease to exist or be employed in appellate proceedings in this Court.

Tenth. That the issuance by this Court herein of the writ of mandamus or the writ of certiorari upon said petition would not be in aid of this Court's appellate jurisdiction or to enforce its decrees and mandates but would be an original process issued by this Court without power or jurisdiction under the Acts of Congress creating this Court and similar Circuit Courts of Appeal.

Wherefore for these, among other reasons, said respondents respectfully submit that the petitioner's application for leave to file said petition, as well as the petition itself, should be denied with costs, and your said respondents will ever pray, etc.

Dated, Philadelphia, Pennsylvania, April 1, 1918.

JOSEPH B. COTTON,
WILLET M. SPOONER,
WILLIAM R. RUMMLER,
LOUIS QUARLES,

Counsel for said Respondents.

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Certificate.

We hereby certify that we are of counsel for the respondents herein, Niels A. Christensen and Allis-Chalmers Manufacturing Company; that the foregoing objections and the statements of fact therein contained are true, and that said objections, in our opinion, are well founded in law.

JOSEPH B. COTTON,
WILLET M. SPOONER,
WILLIAM R. RUMMLER,
LOUIS QUARLES.

274 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1918.

No. 47.

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner,

v.

Honorable CHARLES P. ORR, NIELS A. CHRISTENSEN, ALLIS-CHALMERS MANUFACTURING COMPANY, Respondents.

Answer of Respondent- Niels A. Christensen and Allis-Chalmers Manufacturing Company to Petition for Writ of Mandamus or Certiorari.

Come now the respondent- Niels A. Christensen and Allis-Chalmers Manufacturing Company and for answer to the petition of the petitioner in the above entitled cause and proceeding for writ of mandamus or writ of certiorari from this Court to the United States District Court for the Western District of Pennsylvania allege and state, as follows:

First. On March 11, 1916, a suit in equity was brought by the said respondents against the petitioner in the District Court for the Western District of Pennsylvania upon (so far as here material) a certain exclusive grant and monopoly from the United States
275 to respondent Christensen for a certain new and useful improvement in combined pumps and motors. For reasons stated in the bill of complaint therein, to evidence the contract between the United States and said Christensen two certain letters patent of the United States, namely, No. 621,324 issued March 21, 1899, and No. 635,280 issued October 17, 1899, were issued to said Christensen. The bill therein submitted the question as to which of these two patents was valid and evidenced said contract and grant as issues to be determined by the Court and prayed for an injunction alternatively under the first patent or the second. Thereafter the petitioner, as the defendant therein, answered and the bill and the answer, without regard to any other consideration, matter or defense, contained all the facts needed for a decision of this question on the merits as to said two patents. The answer contained other alleged defenses and asserted that both patents were void. After issue joined and various proceedings had in the Court below, on motion of the respondents the cause was dismissed by the Court below without prejudice on February 24th, 1917. Thereafter, on April 23rd, 1917, the petitioner filed in this Court a petition for writ of certiorari or mandamus upon the ground that upon the face of the bill and the answer, independent of any other papers, records or considerations whatsoever, two issues fully appeared, namely (a) as to the validity of said second patent, and (b) as to the lack of equity jurisdiction under said first patent, and that the Court below from

such bill and answer had full means of deciding these questions and issues on the merits and that the refusal of the Court below so to do had the effect of depriving the petitioner of any right of appeal. On June 15, 1917, on such petition for writ of certiorari or mandamus, without it being decided by this Court whether either writ would lie but by agreement of counsel for both sides
276 in open court, this Court heard arguments by counsel upon and considered the merits of the controversy as to the two patents, at which hearing the petitioner contended that the second patent was invalid and that the bill should be dismissed as to the first patent for the reason that equity had no jurisdiction with regard to said patent and for reasons and upon grounds urged in the brief of the petitioner filed in said proceeding. On July 3rd, 1917, this Court decided that the second patent was invalid and reinstated the bill only so far as it affected the two patents, and not otherwise. To avoid misunderstanding (and, if possible, to prevent further controversy on several points) this Court also held that the petitioner was at liberty to urge any defense to the bill that was available under its answer with the same effect as if the bill had been originally brought only under the first patent. On all these matters this Court decided nothing and expressed no opinion upon the question (1) whether, in view of the date when the bill was filed, the remedy in equity was open to the plaintiff, or upon the question (2) to what extent the petitioner would be liable to account in case the equitable remedy should be adjudged by the Court below to be available and the petitioner be found to have infringed. Accordingly the decree of dismissal was reversed so far, and so far only, as it affected the said two patents and the bill was reinstated by this Court for further proceedings in conformity with its opinion. (See *Westinghouse v. Christensen*, 243 Fed. Rep. 901, 906).

Second. In accordance with the mandate of this Court the case was put on the regular trial calendar of the Court below, which was called on September 3, 1917, and was set for trial in the Court below on October 1, 1917. On the date last named the case came
277 on for hearing in the Court below in the absence of the respondents, and thereupon on said day on motion of the petitioner a final decree was entered in the Court below adjudging and decreeing said second patent was invalid, having been issued without warrant of law, and finally and forever dismissing said bill as to said second patent with costs to the respondents, all in accordance and full compliance with the said opinion and mandate of this Court filed in the Court below on August 3, 1917. At the same time, to-wit, on October 1st, 1917, the petitioner by its counsel then and there moved that the said bill of complaint, which then stood in said Court below as if brought only under the first patent, be dismissed at the cost of the said respondents for want of prosecution. Whereupon the Court below ordered and decreed that "this Court, over objections by Mr. Frazer, who has been the local associate of plaintiffs' (said respondents) principal counsel, does now dismiss this bill, for want of prosecution, with leave to the plaintiffs (said

respondents) at any time during the pending (May, 1917) term to ask for a setting aside of this decree for proper cause shown." To which ruling and decree the petitioner by its counsel did not except, but fully acquiesced therein. At the same time and place a similar motion and order and decree were made as to case No. 91, November term, 1916, in equity, pending in the Court below, between the same parties and represented by the same counsel and as to which order and decree in said equity case No. 91 no further proceedings of any kind have ever since been had in the Court below or elsewhere. The May, 1917, term of the Court below ended at midnight November 11, 1917, and no motion or application was ever made by said respondents to vacate said order and decree of October 1, 1917, so dismissing said bill for want of prosecution with costs to said respondents. The said order and decree of October 1, 1917, dismissing the bill as to said first patent for want of prosecution with leave to the said respondents, within the term at which the same was made and entered, to apply for a setting aside of the decree for proper cause shown to the Court below, was thereafter and within said May, 1917, term brought to the notice and attention of said respondents' counsel, who refrained from making any motion to vacate said decree within said May, 1917, term, or at any other time, because they and the respondents were satisfied therewith and believed that said decree was the only one which could properly and lawfully be entered upon the record and proceedings in such case and upon the motion theretofore made with the same effect by both parties therein. In consequence thereof respondents and their counsel fully acquiesced in said final decree of October 1, 1917, and believed that said cause and proceedings were finally ended and dismissed for want of prosecution at the end of said May, 1917, term, and have acted accordingly.

Third. When the said May, 1917, term ended, to-wit, at midnight November 11, 1917, said order and decree of October 1, 1917, dismissing said bill as to the said first patent for want of prosecution, became and ever since has been a final judgment and decree in said cause in the Court below and binding upon all parties thereto and has never been modified or vacated in whole or in part. On December 10, 1917, the petitioner, as the defendant in the court below, filed its bill of costs therein, to the taxing of which said respondents filed written objections to the Court below on December 26, 1917.

Fourth. On March 14, 1916, said respondents, as plaintiffs, filed in the United States District Court for the Northern District of Illinois, Eastern Division, the same identical bill of complaint against the petitioner, as the defendant therein, as respondents had filed in the United States District Court for the Western District of Pennsylvania on March 11, 1916, and that the said defendant, the petitioner herein, made and filed in said cause in the District Court of Illinois the same answer, setting up the same defenses as in the Court below in the case in the United States District Court for the Western District of Pennsylvania. The said Ill.

nois case is at issue but has never been tried. No testimony has ever been taken therein. The bill of complaint has never been construed by the said Illinois District Court or by the Circuit Court of Appeals of the Seventh Circuit of the United States. On or about December 7, 1917, by motion dated December 1, 1917, the said defendant, in said Illinois case, being the petitioner herein, moved to dismiss the bill of complaint in said Illinois case as to said first and second patents which said motion, after reciting the facts with reference to the filing of the bill in this cause in the Court below and the proceedings in said Court and in this Court, is (so far as here material) in words and figures as follows:

"The case went back to the District Court, and was placed on the trial calendar for call on September 3, 1917, when October 1, 1917, was fixed for the trial on the merits as to Patent No. 621,324.

On October 1st the case came on for trial, when on motion of defendant's counsel, the Court entered a decree dismissing the bill as to Patent No. 635,280 as invalid in accordance with the mandate of the Court of Appeals, and, as the plaintiffs did not appear and prosecute their suit as to Patent No. 621,324, the Court entered an order or decree dismissing the bill as to that patent for lack of prosecution. But that Court coupled the decree for dismissal as to Patent No. 621,324, with the provision of 'leave to the plaintiff at any time during the pending term to ask for a setting-aside of this decree for proper cause shown.' The term then pending was May Term, 1917, and expired on November 12, 1917, with the beginning of the November, 1917, Term of said court, but no motion or request was made by the plaintiffs to set aside the decree of dismissal, and, therefore, the decree became absolute on the expiration of the term.

In support of this motion and proof of the foregoing facts, defendants files herewith as a part of this motion, certified copies of (1) the petition to the United States Circuit Court of Appeals for the Third Circuit, (2) the transcript of record from the District Court for the Western District of Pennsylvania, showing all the proceedings of the District Court, (3) the opinion and (4) mandate of the Court of Appeals, (5) the decree of the District Court, dismissing the bill as to Patent No. 621,324, which were dictated by Judge Orr from the bench, (7) the entry of the order of dismissal on the equity calendar, (8) the certificate of the clerk, dated November 14, 1917, that no motion was entered during the term to set aside the decree of dismissal, and (9) the docket entries in the case."

Thereafter, and on or about December 7, 1917, said respondents opposed said motion and, while conceding that both said decrees mentioned in said motion were final decrees, denied that the same were res adjudicata in said Illinois case, and particularly denied that the said decree of October 1, 1917, dismissing said bill as to said first patent for want of prosecution, was res adjudicata in said Illinois case. Counsel for petitioner argued said motion in the Illinois case electing to treat said decree of October 1, 1917, as to said patent No. 621,324 as a final decree and as a bar to said action in the said District Court of Illinois. Counsel for said respondents appeared

upon said hearing of said motion in Illinois and assented and
 281 agreed with defendant's counsel that said decree of October
 1, 1917, as to said patent No. 621,324 was in all respects
 final decree, but said respondents' counsel then and there contended
 that as such final decree it was no bar to said suit in said District
 Court of Illinois. By stipulation between counsel of both parties,
 said motion of the petitioner to dismiss said bill as to said patents
 Nos. 621,324 and 635,280 in said Illinois case was postponed until
 the determination of said respondents' motion and petition to vacate
 said decree of January 7, 1918, in the Court below and of any
 proceedings resulting therefrom in this Court.

Fifth. It was not until after said hearing of said motion in the
 Illinois case that counsel for the petitioner undertook to assert, for
 the first time, that the petitioner was entitled to any other or different
 decree in this cause in the Court below than said decree of October
 1, 1917, as to said patent No. 621,324. After the expiration of
 said May, 1917, term and on December 31st, 1917, the petitioner by
 its counsel gave notice to one of the counsel of said respondents, residing
 at Chicago, Illinois, that the petitioner would move the Court
 below to enter a certain decree purporting to finally dispose of all
 the issues in this cause, such proposed final decree being the one
 shown at pages 103 and 104 of the petitioner's Supplemental
 Transcript of Record herein. Said motion came on for hearing
 by the Court below on January 3rd, 1918, and local counsel for
 said respondents attended said hearing, although only three days
 notice of the same was given to the said respondents and then only
 to its Chicago counsel. Said local counsel opposed the entry of said
 decree and the court below, upon application of said local counsel,
 gave said respondents' principal counsel, residing in Milwaukee,
 282 kee, Wisconsin, time and opportunity for filing whatever brief
 said counsel might deem necessary on behalf of said respondents
 to oppose the motion of petitioner of January 3, 1918, for the
 entry of such further decree herein. Said respondents' principal
 counsel were notified of such proceedings and of such right to file
 brief on the 7th day of January, 1918, and immediately commenced
 the writing of a brief in opposition to said motion and endeavored
 to get in touch with and obtain further advices from said Chicago
 counsel and from respondents' said local counsel in Pittsburgh, but
 that, owing to the fact that Pittsburgh, Milwaukee, Chicago, and
 large part of the Middle West were then in the midst of a great storm
 and blizzard and practically isolated, said respondents' principal
 counsel were unable to get in touch with said associate counsel in
 Chicago and in Pittsburgh by telephone or by telegraph, and
 was not until late in the evening of January 5th, 1918, that said principal
 counsel were able to get said local counsel in Pittsburgh on
 the telephone, when they were advised that the Court below had, on
 January 7th, 1918, entered said final decree, dated January 7, 1918,
 and as prayed for by Petitioner. Said respondents' counsel had under-
 stood that they had until the 10th day of January, 1918, in which
 to prepare and file such brief in opposition to said decree.

Thereupon and on January 10, 1918, said respondents, for reasons and upon grounds shown in said Supplemental Transcript at pages 113 to 126, both inclusive, moved the Court below for a re-hearing and vacation of said final decree of January 7, 1918. Said motion was argued on January 24, 1918, and decided by the Court below by opinion filed February 11, 1918, and referred to in said Supplemental Transcript at pages 126 et seq. Thereupon, and in conformity with said opinion of February 11, 1918, said decree of January 7, 1918, was vacated and the final decree of March 11, 1918, shown on page 133 of said Supplemental Transcript of Record, was made, filed and entered in the Court below in said case, and to review and reverse which final decree of March 11, 1918, the petition of the petitioner is made and filed in this Court.

Sixth. The respondent, Allis-Chalmers Manufacturing Company, is a merely nominal party plaintiff herein and has not participated in said litigation save and except only to lend its name as party plaintiff, and that it is not interested in the event of this cause or in the results herein, and that the real party in interest is and at all times has been said respondent, Niels A. Christensen. The motion to dismiss the case in the Court below in February 1917 was made on the ground that, while in the opinion of counsel the said complaints had a good cause of action, respondent Christensen was without financial means and could not therefore proceed with the trial. By the answer in this case the petitioner did not seek an affirmative relief in the cause, and the same is true in respect of the answer in the Illinois case. The Court below, in the exercise of its sound, legal discretion, dismissed the bill and said dismissal was by this Court on said application of the petitioner for writ of certiorari or mandamus only reversed in respect of said patents Nos. 621,324 and 635,280, and then only because an issue of law appeared upon the face of the bill and the answer, and as to which, in the opinion of this Court, the petitioner was entitled to a decision. The financial status of the said respondent Christensen, as shown in the transcript of record filed in this Court with said petition of April 23rd, 1917, has ever since continued and still so continues, and at no time since February 1917 has said Christensen been financially able to proceed with the trial of said cause, and for that reason and that reason only no motion or application was ever made to the Court below to set aside said decree of October 1, 1917, as to said patent No. 621,324.

If the decree of January 7, 1918, had been or is permitted to stand, said respondents would have been or will be irreparably damaged and injured thereby.

Seventh. Said respondents are advised by counsel, verily believe, and charge the fact to be that upon the face of said petition filed herein April 1st, 1918, and said Supplement- Transcript of Record, it appears that this case upon said bill as to said patent No. 621,324 came on for hearing and trial before the Court below on October 1,

1917, precisely in the same manner as any case in equity would be tried in the said Court below. The Court below then and there had and lawfully possessed all the powers, rights and legal discretion it ever possessed as to this cause or as to any cause in equity before it, with the exception that this Court had held said patent No. 635,280, was invalid, and complying with which decision and mandate of this Court the Court below on October 1, 1917, duly entered a final decree dismissing said patent No. 635,280 accordingly. (See Supplemental Transcript, page 102). In the absence of said respondents and their counsel on October 1, 1917 in the Court below the petitioner had open and available all the remedies and procedure it ever had in said case as a party litigant in respect of said bill under said patent No. 621,324. Under said answer the petitioner could have moved, if it so desired, for dismissal of the bill as to said patent No. 621,324 for want of equity jurisdiction, and which said defense it urged upon this Court on June 15, 1917. It could have moved for a dismissal of said bill under said patent No. 621,324 without prejudice or for want of prosecution or insisted on proceeding to trial and then moved for a dismissal of said bill under said patent No. 621,324 and possibly secured a decree of dismissal on the merits. In lieu of any other remedy or course so open as aforesaid the petitioner and its counsel expressly moved for a dismissal of the bill under said patent No. 621,324 for want of prosecution, with costs to petitioner, and the Court below in the due and proper exercise of its sound legal discretion granted the petitioner's said motion and then and there entered an order and decree accordingly, dated October 1st, 1917, dismissing said bill as to said patent No. 621,324 for want of prosecution, with costs to said respondents, and effective at the end of the May 1917 term, if not set aside by the Court below for proper cause shown by said respondents. The petitioner did not except to said order or decree but acquiesced therein and thereafter filed its bill for costs in the Court below and undertook to tax such costs in said cause and then and there, as well as thereafter, considered, treated and expressly recognized said decree of October 1, 1917, dismissing said bill as to said patent No. 621,324 for want of prosecution, as a final decree and acted accordingly. Said decree of October 1, 1917, dismissing said patent No. 621,324, has never been modified or vacated in whole or in part by the Court below and the said respondents are advised by counsel, verily believe, and charge the fact to be, that the same now and ever since October 1, 1917, has been a final and conclusive decree herein in the Court below and was and is entirely within the power and sound legal discretion of the Court below to make and enter, and was and is fully authorized by the said opinion and mandate of this Court of July 3, 1917. Said respondents further advise that they are advised by counsel, verily believe, and charge the fact to be, that the petitioner, having so elected to have such a final position made of the case and said decree of October 1, 1917, as to said patent No. 621,324, made and entered upon its said motion, is now and has always since said date been fully bound thereby and is now and ever since October 1, 1917, has been estopped

from attacking or questioning said order and decree or further proceeding in said cause either in the Court below or in this Court. Said respondents further allege that they are advised by counsel, verily believe, and charge the fact to be that the Court below was wholly without jurisdiction to make and enter said decree of January 7, 1918, and which decree was and is wholly void.

Eighth. Said respondents further allege that they are advised by counsel, verily believe, and charge the fact to be, that upon the face of said petition of April 1, 1918, and said Supplemental Transcript of Record it appears that said decree of March 11, 1918, was made by the Court below wholly within its power, jurisdiction and legal discretion and is a final decree which is appealable and that in consequence the petitioner has a speedy, adequate, full and complete remedy by writ of error or appeal to this Court, either of which is its sole remedy herein.

Ninth. As a part of this answer, said respondents here repeat and renew the several objections made and filed herein by them on April 1, 1918, to the said petition of that date and the filing thereof herein, with like effect as if the said objections were herein set out in full.

Tenth. Said respondents further allege that they are advised by counsel, verily believe to be true, and charge the fact to be, that the petition of the petitioner of April 1, 1918, and the Supplemental Transcript filed therewith, are inaccurate and untrue in the following particulars:

287 (a) On page 2 of the petition it is stated:

"That said petition for certiorari was entertained and the question based on its merits by this Court on June 15, 1917."

When in truth and in fact the question as to whether certiorari would lie, while discussed, was not decided by this Court, but the question as to the validity of said patent No. 635,280 was upon agreement of counsel of both sides, heard and determined by this Court on June 15, 1917.

(b) That on page 2 of said petition it is stated:

"That this Court issued its mandate * * * and gave directions as to the defenses that might be urged by your petitioner, and questions which might be passed upon in the trial of the case by the District Court on the first patent".

Whereas, in truth and in fact, this Court left available to the defendant every defense under its answer, and deprived the Court below of none of its powers, rights or legal discretion in respect of the bill under patent No. 621,324, neither did this Court attempt so to do.

(c) That on page 3 of said petition it is alleged:

"That thereupon the Court sent for plaintiffs' local counsel and, after questioning the sufficiency of the notice of trial to plaintiffs,

entered an order dismissing the bill of complaint as to the first patent for want of prosecution, with leave to the plaintiffs at any time during the pending (May) term to ask for a setting aside of the order if proper cause shown."

288 Whereas, in truth and in fact, said bill of complaint was dismissed at the cost of said respondents for want of prosecution by an order and decree of the Court below of that date made upon the petitioner's own motion and application, and not otherwise.

(d) On page 3 of said petition it is stated:

"That the period of grace having expired with the expiration of the May Term, your petitioner, upon notice to plaintiffs, made timely motion for the entry of a final decree disposing of all issues in the case, which motion was argued before his Honor, Judge Orr, on January 3, 1918, and was granted and the said final decree was entered by Judge Orr on January 7, 1918."

Whereas, in truth and in fact, the petitioner asked for and secured said decree of October 1, 1917, as to said patent No. 621,324, not treated and recognized the same as a final decree, and then and there and elsewhere treated, considered and recognized said decree of October 1, 1917, as a final decree disposing of all the remaining issues in the case, and not until said respondents' counsel in the Illinois case had shown that said decree, of October 1, 1917, as to said patent No. 621,324, while a final decree was not res adjudicata in the Illinois case did the petitioner by its said counsel ever take the position or assert or claim that said decree of October 1, 1917, as to said patent No. 621,324 was not a final decree so disposing of all said issues, or that the petitioner was entitled to the further decree of January 7, 1918, and that the decree of January 7, 1918, was an afterthought on the part of petitioner's counsel and an attempt on the part of said petitioner's counsel to reverse their election and action to have said bill as to said patent No. 621,324 dismissed on their own motion.

289 for want of prosecution on October 1, 1917, and said motion by the petitioner on January 3, 1918, was not argued by counsel for the said respondents. (See said Supplemental Transcript pages 106, 107 and 108.)

(e) On page 5 of said petition it is stated:

That his Honor, Judge Orr, entered the decree of January 7, 1918, in accordance with the spirit and intent of the mandate of this Court of July 3, 1917, which reinstated the bill as to said two patents and directed further proceedings in conformity with this Court's opinion which necessarily contemplated a trial, or in the absence thereof a decree which should terminate the litigation.

Whereas, in truth and in fact, the mandate of this Court of July 3, 1917, sent said bill under said patent No. 621,324 back to the Court below with every power, right and legal discretion which the Court

below ever had as to said bill under said patent No. 621,324, and as to any other case in equity ever pending before the Court below, and said decree of January 7, 1918, covered patents Nos. 680,842, 753,954, and 914,699, as to which patents the bill was dismissed without prejudice by the Court below by its order and decree of February 24, 1917, and as to which dismissal it was conceded in the proceedings in this Court of June 15, 1917, that such dismissal was a proper one, and that as to such patents the bill stood dismissed; and further, said decree of January 7, 1918, covered also patent No. 635,280, found invalid by the opinion of this Court and as to which, on October 1, 1917, the Court below entered a final decree adjudging and decreeing said patent was invalid and void in compliance with the
 290 mandate of this Court, and which said final decree has never been vacated or set aside in whole or in part, and is now and ever since its entry has been in full force and effect.

And whereas, in truth and in fact, the sole purpose of said decree of January 7, 1918, was to secure, on the part of the petitioner, a reversal of the final decree of October 1, 1917, as to said patent No. 621,324 and the entry of a final decree dismissing the bill as to that patent on the merits contrary to the record, the election of the petitioner, its own motion, and to the unvacated order and decree of the Court below of October 1, 1917, as to said patent No. 621,324.

(f) In describing the proceedings in the Illinois case, on pages 9 and 10 of the petition, the plaintiff states:

"When the motion to vacate the decree of January 7th was made, Judge Kohlstant, at the request of plaintiffs' counsel, withheld the order of dismissal of the Chicago suit, which he stated he would grant in view of the decree of January 7th, to await the result of the motion to vacate the latter, and when Judge Orr granted the motion to vacate, defendant withdrew the motion to dismiss the Chicago suit pending the result of this petition."

Whereas, in truth and in fact, upon order of the said Illinois Court, based upon stipulation of both parties, the determination of the motion in said Illinois case was stayed and postponed until the final determination of the motion to vacate and set aside said decree of January 7, 1918, then pending in the Court below,

(g) That said Supplemental Transcript does not contain the order and decree of the Court below of October 1, 1917, as to said
 291 patent No. 621,324 duly entered upon the equity docket and calendar of the Court below, and which is in words and figures, that is to say:

"Order of Court, Oct. 1st, 1917, Dismissed for want of prosecution."

(h) That said Supplemental Transcript does not contain the docket entries in the case, and that on page 129 of said Supplemental Transcript, in the fourth line from the bottom thereof, the word

"plaintiffs' " should be "defendant's" since the record shows and the fact is that the decree of October 1, 1917, dismissing said bill under said first patent for want of prosecution, was made by the defendant's own motion and application.

(i) That on page 99 of said printed transcript of record the fourth line from the bottom thereof, namely, "Notes of hearing, Oct. 1, 1917", is improperly inserted and included, is no part of the record of the Court below, but is a mere assertion on the part of counsel and an attempt to give the impression upon the record that such words are a part of the record of the Court below and of the order and decree of October 1, 1917, dismissing said bill under said patent No. 621,324 for want of prosecution, and is no part of the original record now in said Court below or of the certified copy of such record made by the clerk of the Court below under date of February 25, 1918, and now on file in this Court.

Wherefore said respondents respectfully submit that the said petition of the petitioner for writ of mandamus or writ of certiorari from this Court to the United States District Court for the Western District

of Pennsylvania should be in all things dismissed and denied
292 with costs, and your said petitioners, as in honor bound, will ever pray, etc.

Dated, Philadelphia, Pennsylvania, April 6, 1918.

NIELS A. CHRISTENSEN AND
ALLIS-CHALMERS MANUFACTURING COMPANY,

Respondents Herein,

By LINES, SPOONER & QUARLES,
REED, SMITH, SHAW & BEAL,

Solicitors for said Respondents.

JOSEPH B. COTTON,
WILLET M. SPOONER,
WILLIAM R. RUMMLER,
LOUIS QUARLES,

Of Counsel for said Respondents.

293 & 294 STATE OF WISCONSIN,
County of Milwaukee, ss:

Niels A. Christensen, being first duly sworn, says he is one of the respondents in the above entitled cause; that he makes his verification herein on behalf of himself and on behalf of his co-respondent Allis-Chalmers Manufacturing Company, the corporation described in the foregoing answer; that he has read said foregoing answer and knows the contents thereof, and that the same is true of his own knowledge, except as to the matters therein alleged upon information and belief, and as to those matters he believes it to be true.

NIELS A. CHRISTENSEN.

Subscribed and sworn to before me, a Notary Public, in and for said County and State, this 8th day of April, A. D. 1918.

[SEAL.]

LEO MANN,

Notary Public, Milwaukee County, Wis.

My commission expires March 2, 1919.

295 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1918.

No. 2248.

WESTINGHOUSE TRACTION BRAKE Co., Petitioner,

vs.

CHARLES P. ORR, District Judge; NIELS A. CHRISTENSEN et al.

To the District Court of the United States for the Western District of Pennsylvania:

In Equity.

Petition for Mandamus or Certiorari.

Before Bullington, McPherson, and Woolley, Circuit Judges.

This controversy is a supplement to *Westinghouse Co. v. Christensen*, 243 Fed. 901, and will be better understood if we preface the following opinion with a brief summary of what was there decided.

In the court below the bill was filed in March 1916 by Christensen and the Allis-Chalmers Co., and (as amended) charged the Brake Co. with infringing 5 patents, 2 of them being Nos. 621,324 and 635,280, called herein the 1st and the 2d patents respectively, both being for the same invention. On Feb. 24, 1917, on the plaintiffs' motion the district court dismissed the bill "without prejudice." Contending that sufficient undisputed facts appeared by the bill and the answer to present the question which of these two patents was valid and that the district court should have decided this question, the Co. applied to this court for a writ of certiorari in order to obtain a decision on this point. On July 3 we decided it, reversing the decree "so far, and so far only, as it affects the two patents referred to" and reinstating the bill "for further proceedings in conformity with this opinion." Our decision was that the 2d patent was invalid and should be so adjudged, and that the cause should proceed upon the 1st patent alone, the Co. to be at liberty "to urge any defense that may be available under its answer, with the same effect as if the bill had been originally brought under the 1st patent." We did not determine what the subsequent course of the litigation should

296 be, but merely decided that the 1st patent alone should stand as the ground of the suit, leaving the parties to proceed thereafter as they might be advised. The question before us was not

whether the court below had erred in dismissing the bill "without prejudice," but whether that court should have decided the question of validity between the two patents, the point being concededly raised by the bill and the answer; and even this question (as our opinion shows) was submitted to us by agreement of counsel at bar. We did not determine that the writ of certiorari was a proper method of procedure; the objection was argued but was waived, and counsel agreed that we should decide which patent was valid. We passed upon nothing else, and it is a mistake to suppose that we directed the District Court to try the case on the merits. Of necessity, we were obliged to reverse the decree, in order to decide which patent was valid, and (having decided it) we then sent the case back for further proceedings, but we did not even intimate what course the proceedings should take, but left that subject to be determined below in the usual manner.

On Aug. 3 the mandate issued, and on Sept. 3 the district court fixed October 1 as the date of trial. On that day the Co. appeared with its counsel, exhibits, and witnesses, but the plaintiffs made no attempt to proceed, and did not appear, except by local counsel, who formally represented them in obedience to a rule of the western district. Thereupon the Co. moved that the bill be dismissed for want of prosecution, so far as the first patent was concerned, and although the plaintiffs objected the court granted the motion. The clerk has certified (apparently from the minutes) that the court then declared the 2d patent to have been issued without warrant of law, and adjudged it to be invalid, entering also a formal decree to this effect. At the same time the minutes show that the following ruling was made as to the 1st patent—

"With respect to Patent No. 621,324, the defendant appearing by its counsel, and the plaintiffs not appearing by counsel representing them, except by the local counsel required under the rules to be associated with foreign counsel, and motion having been made by the defendant that the bill be dismissed for want of prosecution, that motion must be sustained; but, it not appearing that the principal counsel for the plaintiffs have had actual notice of the time fixed for the final hearing in this case, and it being questionable

297 whether or not local counsel had actual notice thereof, this Court, over objections by Mr. Frazer who has been the local associate of the plaintiffs' principal counsel, does now dismiss this bill for want of prosecution, with leave to the plaintiffs at any time during the pending term to ask for a setting-aside of this decree for proper cause shown."

So far as appears, no formal decree was entered in pursuance of this ruling, but on the same date the following entry was made in the docket: "Order entered on Equity Calendar;—'Oct. 1, 1917, dismissed for want of prosecution'." We think nothing else was required; the order, or ruling, or decree (whatever name may be given it) is found in the clerk's minutes, which are kept as part of his official duty, and is certified by him "from the record." The Co. has never denied that it correctly states what took place, and the record shows therefore that the District Court finally disposed of the case

on October 1, and by an act that was intended to take effect in praesenti dismissed the bill for want of prosecution, thereby sustaining the Co.'s request that such action should then be had. But, being in doubt whether the plaintiff's principal counsel had actually known the date of trial, the court out of abundant caution added—"with leave to the plaintiffs at any time during the pending term to ask for a setting aside of this decree for proper cause shown." This clause was unobjectionable, although it was superfluous; the plaintiffs would have had the same right during the term, even if no leave had been formally given. The term lasted until Nov. 11, but the plaintiffs did not move to set aside, and the Co. was evidently satisfied with the court's decision, for no motion was made to correct it. Therefore, when the new term began on Nov. 12, the order of Oct. 1—"this decree," as the court described it—continued without change, and in our opinion no further and purely formal order was needed. No doubt, such an order might have been entered, but it would have made no important change in what already appeared on the record, and there was no necessity to use again the same or similar language. The order of Oct. 1 was not a direction that a decree should be entered in the future, but was an order expressly directed to take effect on that very day, with formal authority reserved to set it aside, if cause should be shown.

298 But, in any event, the order or decree became final at the end of the term, and the Co. so understood it, as appears from the motion it presented to the United States District Court in Chicago on December 7, where a similar suit on the same two patents was pending between the same parties. By that motion the Co. asked the Chicago court to dismiss the bill as to these patents on the ground that the Pittsburgh court had adjudged the 2d patent invalid, and had dismissed the bill as to the 1st patent "for lack of prosecution"; averring further, that the "decree for dismissal" as to the 1st patent had been coupled with leave to move for setting it aside during the term, and that the plaintiffs had made no such motion, and "therefore the decree became absolute on the expiration of the term." We are not advised by the record before us what action the court took in Chicago, but apparently no order was entered and the motion seems to be still under advisement. At all events, on Jan. 3, 1918, the Brake Co. turned once more to Pittsburgh, and moved there that a new decree should be entered, and on Jan. 7 obtained such a decree by which the bill was again dismissed as to 3 of the 5 patents—altho as to these the decree of Feb. 24, 1917, had never been attacked—and was not dismissed "on the merits" as to the 1st and 2d patents.

This was an unusual step, and was taken under a misapprehension, as appears from the following unreported opinion of Judge Orr: "An application has been made on the part of the plaintiff to vacate a decree entered in this court on the seventh day of January, 1918. The application was made on January 10th. Notice was given to counsel for the plaintiffs on the 31st of December, 1917, that application was made by the defendant to have a decree entered on January 3rd, 1918, and a form of such decree accompanied said notice. The application was made by the defendant at the time

fixed and the matter was held until the 7th of January, when the decree was entered. The plaintiff's counsel in the affidavit in support of their present motion, present^{ed} a sufficient excuse for not being present at the time fixed in the notice served upon them, to wit, that storm conditions were of such a character that they were unable to give the matter the attention which it deserves. A brief statement of some of the features of this litigation may be proper.

"The case being ready for trial near the close of 1916, was set for trial early in the year of 1917. Prior to the time fixed
299 for trial, this Court permitted the defendant to have its bill dismissed, and entered a decree to that effect, imposing certain terms. The decree of this Court was subsequently reversed by the Circuit Court of Appeals with respect to certain of the patents involved, and the bill was reinstated for further proceedings with respect to said patents, in conformity with the opinion of the Circuit Court of Appeals. Again the case was on the trial list in this court and fixed for trial on October 1, 1917. On that day the plaintiffs failed to appear, and thereupon counsel for the defendant presented to the Court a form of decree which conformed with the mandate of the Circuit Court of Appeals which disposed of subject matter of the controversy between the parties, excepting the rights of plaintiffs under patent No. 621,324. In the absence of the plaintiffs when the case was called for trial, the solicitors for the defendant moved the Court that the bill be dismissed at the cost of the plaintiffs, for want of prosecution, and thereupon the court made the following ruling:

"With respect to Patent No. 621,324 the defendant appearing, by its counsel, and the plaintiffs not appearing by counsel representing them, except by the local counsel required under the rules to be associated with foreign counsel, and motion having been made by the defendant that the bill be dismissed for want of prosecution, that motion must be sustained; but it not appearing that the principal counsel for the plaintiff have had actual notice of the time fixed for the final hearing in this case, and it being questionable whether or not local counsel had actual notice thereof, this court, over objection by Mr. Frazer, who has been the local associate of the plaintiffs principal counsel, does now dismiss the bill, for want of prosecution with leave to the plaintiff at any time during the pending term to ask for a setting aside of this decree for proper cause shown."

"To that ruling the defendant did not except. It may be noticed also that the defendant did not offer any testimony which would throw any light upon the merits of the controversy then existing between the parties. The term expired without anything being done on behalf of the plaintiffs or by the defendant. Subsequently
on January 3, 1918, as aforesaid, the defendant presented the
300 following decree, which this court signed on the 3rd day of

January, as above stated:

"This cause having come on to be heard, upon consideration thereof, it was Ordered, Adjudged, and Decreed as follows, viz.:

"That as to Patents Nos. 680,842, 753,954 and 914,699, the bill is dismissed without prejudice to the rights of the plaintiffs or either of them, provided, however, that all depositions heretofore taken

herein may be used in any pending or subsequent litigation between plaintiffs and defendant, or their privies;

"That as to patents Nos. 621,324, and 635,280, the bill of complaint is dismissed on the merits;

"And that defendant do recover its costs to be taxed under the direction of the clerk and have judgment and execution therefor against the plaintiffs.

"Pittsburgh, January 7, 1918."

"That decree is not in conformity with the facts, inasmuch as it states that as to patents Nos. 621,324 and 635,280 the bill of complaint is dismissed on the merits. The merits of the controversy were not considered by the Court. By the use of the expression, 'merits of the controversy,' is not meant the relative rights—moral, ethical or pecuniary—between the parties, but merely the 'subject-matter of the litigation.' The subject matter of the litigation as a matter of fact was not considered by the Court at the time such decree was entered, and in that respect the decree was contrary to the fact. What operated upon the mind of the Judge who entered the decree of the Court was the insistence by the defendant's counsel in the language quoted: 'That the plaintiff should not be allowed to obtain by indirection that which he was not permitted to obtain by direction.' In explanation of that, it was urged that because of the reversal by the Court of Appeals of the decree dismissing the bill at plaintiffs' own instance, that therefore, the plaintiffs, by staying away from the trial, ought not to be able to effect a dismissal of their bill for want of prosecution. The real effect of the words 'upon the merits' in the decree were not seriously considered as they should have been had the principal counsel for the plaintiffs been present.

"A number of questions are raised in this motion which are unnecessary to be considered, the chief of which is whether the order entered at the trial was such a decree as should not be changed 301 after the term at which it is entered. The real reason for setting aside the decree or order of January 7, 1918, is because it is contrary to the fact in stating that the bill as to Patent No. 621,324 was dismissed upon the merits. In so far as that appears in the decree the same must be set aside. No other decree ought to be entered than that in accordance with the proceeding had on October 1, 1917, upon plaintiffs' own motion to dismiss the bill for want of prosecution. In the absence of some evidence or other showing which could have been offered to enable the Court to determine the case with respect to the subject-matter of the litigation, an order must be entered, vacating the decree entered in this cause on the 7th of January, 1918."

Three days later, on Jan. 10, the matter was again brought to Judge Orr's attention by the plaintiff's motion to vacate the decree of Jan. 7; and this motion was granted on Feb. 11 (when the foregoing opinion was filed) and was followed on March 11, by the entry of a new decree again dismissing the bill as to the 1st patent for want of prosecution. Thereupon the petition now before us was filed, praying for a mandamus to reinstate the decree of Jan. 7, or (in the alternative) for a certiorari to bring up the record in order

that the Court of Appeals might "fully review the matter set up in this petition, to wit, the setting aside of the decree of Jan. 7, 1918." The Co.'s grievance is the decree of March 11, and the ground of attack is, because it substitutes a dismissal "for want of prosecution" for a dismissal "on the merits."

The facts recounted show a situation that has come to abound in decrees, but the substance of things is plain enough. Three of the 5 patents were taken out of the case by the decree of Feb. 24, 1917, which left only the 1st and 2d patents as the subject of dispute. The contest between these was decided by this court on July 3, and thereafter the 2d patent also was removed. Only the 1st patent was left, and as to this the bill was reinstated, the result being, that (except for our decision) the litigation on this patent was just where it was before the bill was dismissed in the preceding February. Some of the testimony concerning the 1st patent had already been taken by deposition, and apparently the parties were about to reach a trial on the merits. At all events, a date had been set for the hearing and the defendant was on hand ready to proceed. But the plaintiffs

302 did not offer to go on, and being therefore in default were bound to accept the consequences. We are not called upon to determine what courses were open to the Co.; it is enough to take note of the course that was actually followed, namely, an election to have the bill dismissed "for want of prosecution." The Co. made a motion to this effect, and the court granted it, entering an order at once which declared that the Court "does now dismiss this bill for want of prosecution." In our opinion the order then entered was a final decree; nothing more than it contained was needed to make it complete, and the Co., having obtained precisely what it asked for, is bound by the course it chose: *Davis vs. Wakelee*, 156 U. S. 680. We are not deciding what effect this decree of Oct. 1 should have in any other proceeding; no such question is now presented, and we volunteer no opinion on that subject; we dispose of the pending controversy by holding that the Co. cannot now complain of a decree that was entered in exact accordance with its own motion.

The plaintiffs object to the pending petition on several other grounds, which we state in order that they may not seem to have been overlooked, namely: (1) that we have no authority to issue either of the writs prayed for, because neither is asked for in aid of our appellate jurisdiction; (2) that the exclusive remedy is an appeal from the decree of Mar. 11; and (3) that under the circumstances the decree of Oct. 1 could not be disturbed after the term expired on Nov. 11, 1917. As to these objections, we shall only say, in order to clear up the situation as far as possible, that the district court was right on March 11 in vacating the decree of Jan. 7, but that no occasion then existed for entering a decree again dismissing the bill as to the 1st patent. The decree of Oct. 1 had been in force from its date, and no additional order was necessary; and, whatever the scope of that decree may be, the Co. could not attack it after having obtained it precisely as it stands.

The petition for a mandamus, or for a certiorari, is refused.

303 In the United States Circuit Court of Appeals for the Third Circuit, March Term, 1918.

No. 2248 (List No. 47).

WESTINGHOUSE TRACTION BRAKE COMPANY, Petitioner,

VS.

CHARLES P. ORR, District Judge; NIELS A. CHRISTENSEN et al.,
Respondents.

Appeal from the District Court of the United States for the Eastern District of Pennsylvania.

This cause came on to be heard on petition for writ of mandamus or certiorari and transcript of record from the District Court of the United States for the Eastern District of Pennsylvania, and was argued by counsel.

On consideration whereof, it is now here ordered, adjudged and decreed by this Court, that the petition for writ of mandamus or certiorari to the said District Court in this cause be, and the same is hereby refused, with costs.

Philadelphia, June 3, 1918.

JOHN B. McPHERSON,
Circuit Judge.

Endorsements: No. 2248. Order Refusing Petition for Mandamus, etc. Received and Filed June 3, 1918. Saunders Lewis, Jr., Clerk.

304 UNITED STATES OF AMERICA,
Eastern District of Pennsylvania,
Third Judicial Circuit, act:

I, Saunders Lewis, Jr., Clerk of the United States Circuit Court of Appeals, for the Third Circuit, do hereby certify the foregoing to be a true and faithful copy of the original order refusing petition for mandamus, etc., on file, and now remaining among the records of the said Court, in my office.

In testimony whereof, I have hereunto subscribed my name and affixed the seal of the said Court, at Philadelphia, this 24th day of September, in the year of our Lord one thousand nine hundred and eighteen, and of the Independence of the United States the one hundred and forty-three.

[SEAL.]

SAUNDERS LEWIS, JR.,
Clerk of the U. S. Circuit Court of
Appeals, Third Circuit.

(Filed July 26, 1918.)

United States District Court, Eastern District of Wisconsin.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs,

VS.

NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

This case is now before the Court upon the defendant's motion to dismiss. The plaintiffs had a decree sustaining the patent, finding infringement and awarding an accounting, the decree being affirmed by the Court of Appeals. The accounting before the Master proceeded and has been pending for something like two years. The motion is based upon a judgment and decree of the District Court of the United States at Pittsburgh, and of the Court of Appeals for the Third Circuit in an action brought by the present plaintiffs against the Westinghouse Traction Brake Company; and an understanding of the contentions of the parties upon this motion necessitates review of the present litigation and a statement of the facts pertaining to the Pittsburgh case.

The Present Litigation.

The suit was commenced by the plaintiffs against the above defendant December 17, 1906. The Bill was based upon Patent number 635,280. Defendant answered, setting up the invalidity of the Patent because of the issue to plaintiff Christensen of Letters Patent 623,324. Plaintiffs, by amendment, set up both patents, claiming either the one or the other to be good, and it was stipulated that defendant had notice of the issuance of Patent number 635,280, as early as March 1906.

Certain facts pertaining to the issue of the two patents were and are uncontroverted, viz: That after the issue of Patent number 623,324, March 21, 1899, plaintiff Christensen having noted that among the drawings were two fugitive sheets, returned the Letters Patent to the Commissioner with a letter refusing to accept them and requesting that they be cancelled and new letters issued conformable with the record of the case in the Patent Office. The Commissioner complied with the request, cancelled the Letters Patent and directed new Letters Patent in proper form to be issued. Thereupon Letters Patent Numbered 635,280, dated October 1899, were issued to Christensen. They were identical with the prior Patent except that the fugitive sheets were omitted and that on its face it ran for seventeen years from the new date. The documents are known in the case as the First Patent and the Second Patent.

The plaintiff contended throughout the litigation that it was no moment which of the two paper documents was held to be valid, that one or the other or both evidence the grant of a monopoly.

Christensen covering the invention described in each. This view was adopted both in the trial and the appellate court, the decree in the former being entered August 21, 1914, and an opinion of affirmance in the latter Court, October 5, 1915. The United States Supreme Court refused to issue the certiorari February 21, 1916. Upon return of the mandate the accounting before the Master proceeded and is still pending.

The Westinghouse Traction Brake Company Litigation.

The plaintiffs commenced a suit against the Westinghouse Traction Brake Company in the United States District Court for the Western District of Pennsylvania, on March 11, 1916. The Bill was identical with the amended Bill in the present suit. After the case had been pending nearly a year, namely, on February 24, 1917, plaintiff Christensen asked and obtained leave to dismiss the suit, without prejudice, and an order to that effect was entered. On April 23rd following the defendant Westinghouse Traction Brake Company made a motion in the Court of Appeals for the Third Circuit based, in substance, upon these facts: That the Brake Company was charged with infringing three Letters Patent, two of which covered identically the same invention, both having been granted to Christensen a few months apart—and averring the facts above narrated in connection with the history of the Wisconsin litigation. The petition or motion further claimed that the question of validity between the two patents has become important because the Bill also avers that the plaintiffs' machines were marked under the Second Patent, but contains no such averment as to marking under the First Patent—this being a matter that affects the accounting, if the first patent should be adjudged valid over the second; that both patents have expired although if the first patent continued to be in force it did not expire until several days after the Bill was
307 filed; that as no injunction can now issue under either patent, the Bill presents only a question of recovery and accounting; that whichever patent be valid over the other, the District Court (in Pittsburgh) had, in the pleadings, all the facts needed for a decision of this question on the merits, the Bill submitting the question as an issue to be determined by the Court and praying for an injunction alternatively under the First or the Second Patent. The Traction Company also averred upon such motion that its answer not only set up a number of prior patents and prior uses, but pleads specially that the Second Patent was invalid by reason of the prior issue of the First:

The following further statement of the position of the parties appears from the reported case:

"That both parties took testimony *de bene esse* and filed the depositions in Court; the plaintiffs taking the testimony of ten witnesses, offering in connection therewith a number of exhibits, and introducing also a stipulation which in substance restates the facts set up in the Bill and Answer regarding the relation between the two patents. That afterwards the plaintiffs by amendment

added two other patents to their Bill and that to these an amended answer set up the defenses of laches, failure of marking and of notice, non-infringement, and lack of validity. That the defendant asked leave to amend its answer further, so as to set up as a counterclaim a certain infringement by the plaintiffs, but that this motion was denied. 235 Fed. 898. That on March 13, 1916, the plaintiff brought a similar suit against the petitioner in Chicago, based upon the same three patents originally set up in the present suit, and that the defendant filed an answer to the Chicago suit, since which time nothing has been done therein, the plaintiffs electing to proceed in the Pittsburgh action. That the case in Pittsburgh was put down for trial and was called in November, 1916, being finally fixed for trial on January 22nd. That on January 20 the plaintiffs were granted a postponement until February 13, although the petitioner (the Brake Company) with its counsel and witnesses, was then prepared to proceed. That the petitioner made ready again for trial fixed for February 13, but that a day or two before that date the plaintiffs gave notice of a motion for leave to dismiss the Bill without prejudice. That the petitioner opposed the motion on the ground that the granting thereof would deprive it of substantial rights, and that before the motion for leave to dismiss was decided, the petitioner moved for judgment upon its pleadings and proofs already filed as to the three patents originally contained in the Bill, alleging that all the facts necessary to judgment concerning the first two patents at least, were already in the Bill and Answer, so that nothing else was needed as to them, except a decision upon the legal points involved. That affidavits and briefs were filed in support of the motions and in opposition thereto, and that argument was had, after which the dismissal was allowed on the conditions already stated; but that the petitioner's motion for judgment was denied on the ground that the case had not come for trial, and that the stipulations of counsel and the exhibits were not in evidence, the Court saying at this time: 'If it were a question determinable upon reading the Bill and Answer, the ruling the Court might be different.' That the petitioner thereupon moved for a rehearing of its motion for judgment as to the first two patents, insisting that such motion was determinable upon the Bill and Answer, and that the petitioner was therefore entitled to have the case decided in order to end the litigation. That the District Court declined to pass upon the motion for rehearing on the ground that the case was no longer before the Court. The petitioner alleges that the action of the District Court in allowing the plaintiffs to dismiss, and in declining to pass upon the motion for a rehearing, deprived it of rights to which it was entitled under the law and the equity rules, especially under Rule 69, and moreover that such action deprived it of its right of appeal. The petitioner therefore prays for a writ of certiorari to bring up the record to the Court of Appeals, in order that the matters set up in the petition may be reviewed, or, in the alternative, for a mandamus directing the District Court to try and determine the issues raised by the Bill and Answer with respect to the first two patents."

See 243 Fed. Rep., pp. 902, 903.

The Court, after stating the case as above, and after quoting from the Memorandum filed in this Court, from the decision of the Court of Appeals for the Seventh Circuit (229 Fed. 564), in both of which the view was expressed that it was of no moment "which of the two patents be held to be in force," proceeds:

"We think it clear that the question now presented was not directly decided in the Seventh Circuit. As the suit there was begun in December, 1906, when both patents were only between seven and eight years old, the question which patent was in force was 'academic.' One or the other was valid, and as the invention was identical, the infringer was not harmed by being enjoined under one rather than the other. In point of fact the injunction was under the second patent and this is the decree that was affirmed, although the opinion of the Court of Appeals may be thought to lean toward the view that the first patent continued to be in force and that the second patent had been erroneously granted."

It may be well at this point to recur to the views entertained by this Court upon the original hearing. The real question was conceived to be, whether Christensen had obtained a monopoly grant from the Government, no matter how evidenced, provided only the evidence, such as it was, should, in the aggregate, show a compliance with the Patent Laws. And the effect of the decision was and is this: That Christensen obtained a patent from the Government, that the grant could not be invalidated because of the incorporation in the so-called first patent of the fugitive sheets, nor by the mistake of renumbering the second and giving to the patentee, nominally, at least, an excessive term of monopoly. As I view it, independently of the asserted conflict which has arisen between the Seventh and the Third Circuits, this Court is not only at liberty, but in justice to the plaintiff, Christensen, it is bound to interpret the interlocutory decree from which the appeal was taken, in the light of and conformably with, the undisputed facts upon which the Court held that Christensen had obtained a valid patent from the Government. Now, in view of the extended statement above quoted from the Westinghouse opinion, we are at once brought to a consideration of the question respecting which, if the decree of this Court be properly interpreted, it must be said that there is a real conflict between the two circuits in the two cases. In the Westinghouse case, after quoting the views expressed by this and by the Appellate Court of this Circuit, and after expressing its concurrence in the notion that the question which patent was in force was "academic," the opinion proceeds:

"But while it might be regarded as a matter of indifference under which patent an injunction should be issued, the situation is changed when the question of accounting is presented. The two patents have different dates of expiration and the question of marking is also to be considered. We are, therefore, required now to decide between the two, for confessedly both cannot be valid, and in our opinion the decision should be in favor of the first patent."

The Court, after considering the possibility of Christensen's having applied for a correction of the error in the first patent under rule 170 of the Patent Office, and also in a certain contingency of applying for reissue, and after saying that the patentee, instead of pursuing either course, asked and obtained "a summary and irregular correction of the mistake," adds:

"Now, if the Commissioner had merely omitted the sheet of drawing and had given to the second patent the same date of expiration as the first, no possible harm could have been done, and his action might, perhaps, have been regarded as taken within the general scope of Rule 170, although it did not exactly comply with the requirements of that rule. But when he undertook to fix a new date of expiration, thus prolonging the life of the patent, he did what he had no lawful right to do. The second patent was not a reissue for it did not conform to Section 4916, and it was not confined to correcting a mistake under Rule 170, if it went beyond the mistake and modified the first patent in a vital particular, namely, in its date of expiration. Therefore, as the Commissioner had no warrant in the law for what he did * * * we see no escape from the conclusion that the second patent was invalid, and must now be so adjudged."

It thus appears that the Court of Appeals for the Third Circuit aimed to pass upon a question respecting the validity of issuance—as an administrative act—of the Second Patent as a document evidencing right or title, in view of the previous issuance of the First

Patent as a document evidencing right or title, with respect to an identical subject-matter, namely, Christensen's invention of a combined pump and motor. And although the opinion on its face shows the doubt entertained by all respecting the reviewability of the question which was, in fact, decided, it appears clearly that Court did not profess to decide the case proffered in the Bill, for the opinion concludes:

"To avoid misunderstanding and, if possible, to prevent further controversy on several points, we may add that the petitioner (the Brake Company, which is now alleged to be in privity with the herein defendant) is at liberty to urge any defense it may be available under its answer, with the same effect as if the Bill had been originally brought under the First Patent. On these matters we decide nothing, and we express no opinion upon the question (1) Whether, in view of the date when the Bill was filed, the remedy in question was open to the plaintiffs; or upon the question (2) To what extent the petitioner is liable to account in this case the equitable remedy be adjudged to have been available, and the petitioner be found to have infringed."

The mandate of the Court was:

"The decree of dismissal is, therefore, reversed so far, and so only, as it affects the two patents referred to, and the Bill is remanded for further proceedings in conformity with this opinion."

What has just been observed is further clearly indicated by the proceedings which in fact took place subsequently, in the District Court. On October 1, 1917, conformably to the mandate, a decree was entered in the District Court dismissing the Bill "as to said Patent Number 635,280," the decree reciting further that such patent "was invalid, having been issued without warrant of law." But jurisdiction of the Bill, in so far as it was based upon the First Patent, was retained until the plaintiff chose voluntarily to dismiss it. It is significant that both the Trial Court and, thereafter, the Court of Appeals upon a renewed application for certiorari, declined to treat its ruling *supra*, as having in the slightest respect passed upon such First Patent or the rights of Christensen thereunder. Each Court clearly and unmistakably expressed itself as having in no way passed upon the merits of the Bill in so far as it was based upon the First Patent. These references are pertinent in considering:

312 1. The substance and real effect of the decree entered in this District and affirmed by the Court of Appeals of the Seventh Circuit.

2. The substance and legal effect of the decree rendered by the District Court at Pittsburgh, obediently to the ruling of the Court of Appeals for the Third Circuit.

In other words, the present motion is concededly without merit unless the defendant can establish the entry of a decree which, not as to form, but in legal effect, disposed of issues tendered in this Court and decided in the other Circuit, so as to have a binding and superseding operation over the decree rendered in this Circuit.

The defendant rests its contention wholly upon *Hart Steel Co. vs. Railroad Supply Co.*, 244 U. S. 294. That is to say, it is asserted that the decree of this Court adjudging the validity of Patent Number 635,280—affirmed by the Court of Appeals—was interlocutory only; that at Pittsburgh plaintiffs sued the Brake Company—alleged to be in rivalry with the herein defendant—and in the Bill there tendered the same issues for determination; that the Pittsburgh suit ripened into a final decree of dismissal of the Bill as to the Patent here held valid; therefore, such final decree supersedes the interlocutory decree rendered in this Court, whereupon the present motion is not only entertainable, but must be granted.

It is my judgment that the motion cannot prevail for a number of reasons, the principal being that the assumptions of fact respecting the situation in the two Courts are not warranted. This statement is predicated upon the notion that, in seeking to determine what was done in each of the Courts, it is necessary to quite an extent to disregard the form and verbiage of opinions and decrees, to the end that identity of or conflict in matters of substance may be ascertained.

Fundamentally, I do not believe that the District or Appellate Courts in the Third Circuit ever had committed to them for determination the controversy or the issue which, in point of legal substance, was tendered by either Bill. The controversy was not, which

of the two paper documents is valid, treating such inquiry as identical with the inquiry, did Christensen get and does he hold a valid patent on a combined pump and motor. I may say, preliminarily, that

when the substance of things is considered, there was no reason why the interlocutory decree entered by this Court should have categorically answered the question, whether Patent Number 635,280 is a valid patent. My own judgment is that the Bill did not tender that issue, though the issue which was in fact tendered upon the allegations, involved, obviously, conflicting contentions respecting the probative force of that patent or of the earlier patent—its evidentiary effect in supporting the broad claim of the Bill that Christensen obtained a valid grant. It cannot be gainsaid, that, had the decree of this Court recited the ultimate facts relative to the issuance of the two paper documents, and then adjudged that the grant evidenced by the identical claims of the two was valid and infringed, the decree would have been an entirely proper one, and, certainly, more in consonance with the Bill and the record in the case. Now, while the Bill in the Third Circuit tendered the same issue, the Court of Appeals, in the manner indicated, took up and disposed of the question respecting the merits of the Second Patent, but not as determining the real issue presented by the Bill, namely, whether Christensen had a valid grant of a patent monopoly, but whether the Second Patent afforded competent legal proof thereof. The problem, which of the two paper documents was legally issued by the patent office so as to constitute the true evidence of the grant—no matter how debatable or open to controversy, or how difficult of solution—was none the less to be solved—the concession, for the time being, in each case, that one or the other was validly issued, or that, in any event, the transactions pertaining to both, furnished in the aggregate, adequate evidence of a grant or, of a patent, from the Government. It, therefore, seems wholly illogical to say that upon such a comparison of the two records the Courts of the Third Circuit entered a final decree upon the controversy or upon the issue tendered by the Bill.

Really, the question presented to the Court of Appeals of the Third Circuit was and is no different than the question which, in view of the elaborate allegations of the Bill, would arise in a trial upon the merits, if and when the Second Patent were offered in evidence; or such as might clearly have been presented upon a motion to expunge from the Bill the allegations respecting the surrender and cancellation of the First and the issuance of the Second Patent; or, upon a motion to compel complainant to make the Bill definite and certain by alleging one or the other patent as the true source of the patentee's right.

Take another view of the case: Suppose, in the District Court at Pittsburgh the plaintiffs, instead of voluntarily dismissing, had proceeded with the trial and had obtained a decree adjudging the First Patent valid and infringed. Clearly, as indicated, the Court of Appeals intended to leave the way open for that very thing to happen. Now, while it is true that the decree in form would probably have adjudged the earlier patent, bearing the

earlier number, to be valid, its legal effect would not have been variant from the decree rendered in this District, except in point of form, and excepting, also, that the decree thus far rendered in this Court has not determined that Patent Number 635,280 is effective on behalf of Christensen for the full term of seventeen years. This is said, not in view of the terms of the decree—from which it might be otherwise inferred—but from the nature of the controversy, which had developed up to the time this Court rendered its decision. It was certainly contemplated, both here and in the Court of Appeals for this Circuit, that if the Second Patent were held valid, its effective term might and probably should, in a Court of Equity, be limited to seventeen years from the date of the First Patent. If this be true, and the decree of this Court be susceptible of such interpretation and effect, then there is not the slightest difference between the two patents, excepting the presence of the fugitive sheets in the First. Therefore, it is again said that if the District Court in the Third Circuit had proceeded with the case as it was left upon the Bill after the decision of the Court of Appeals, a final decree might then have resulted which in every respect is and would be as identical with the decree in the present case, as both patents are identical, namely, in covering the monopoly grant embodying the identical claims and specifications of the two paper documents. In other words, the decree of the District Court, at Pittsburgh, although stating in express words that the Bill be dismissed as to Patent 635,280, because it was invalid, and issued without warrant of law, is in no just sense a final decree disposing of the controversy tendered. It did not and does not determine that Christensen received no valid patent or that defendant did not and does not infringe—that was, and is, the fundamental subject matter of controversy arising upon the bills in both circuits. And the decree in the Third Circuit goes no farther than to adjudge that if Christensen had a patent, it was not evidenced by "patent number 635,280"—leaving open for possible future determination that patent number 621,324—identical therewith except in respect of its term and the fugitive sheets—
315 was and is valid and the true evidence of Christensen's rights.

Therefore, as has been indicated, while the Courts of the Third Circuit in a sense, awarded a decree involving the Second Patent, which in form and in substance may be said to be final: that is to say, the question having been presented in the manner indicated, the Appellate Court considered and determined it and it has said all that it cares to say on the subject; but, such Courts have not said it in the trial and final determination of the case which, as observed, tendered an issue or a controversy respecting the existence or scope of Christensen's patent monopoly rights. That, after all, is the fundamental inquiry in any situation where it is sought to invoke a doctrine of estoppel or res adjudicata. I cannot escape the conviction that, after all, the Court of Appeals for the Third Circuit said nothing more than this: That, in the controversy tendered by the Bill, the Second Patent cannot be given a probative force which will sustain the Bill as one seeking to enforce Christensen's rights as a

patentee. It was and is a negative determination of a question which may be reconciled—if we look at the substance of things—with the decree and record in the Seventh Circuit. Of course, if appearances alone are considered, it may be said, that the Second Patent was held valid in the Seventh and invalid in the Third Circuit. But in no respect does the record in the Third Circuit disclose a situation analogous to that of a patentee in a single bill, suing on two patents, claiming separate and distinct rights upon each. The Bills in each circuit presented what might be considered either as mere matters of evidence, or allegations in the alternative made in anticipation of probable defenses against each patent in case either one alone was relied upon as the foundation; or, as set up by way of amendment to meet the defense actually originally interposed in the Seventh Circuit. Plainly, the situation was and is no different than the ordinary case where a litigant, being dependent upon a succession or a multiplicity of transactions which, in the alternative or in the aggregate, furnish the foundation for the legal right or liability which he seeks to enforce, sets them all up in pleading the facts, though perhaps also, the evidence.

In thus comparing and considering the situations in the two Circuits, in the manner indicated, we reach a conclusion in conformity with the situation of the parties at the present time. Indeed the desire, if not the persistence of the defendant, in the Third Circuit litigation, to obtain a decree in that circuit upon the merits, not only of the Second Patent but of the Bill, all of which appears from the record and is frankly conceded in the argument here, discloses a rather clear and precise appreciation on the part of counsel of the exact shortcomings of the proceedings in the Third Circuit. It shows, that, notwithstanding the ruling of the Court of Appeals, the defendant in that litigation obtained a decree on the merits of little, if anything.

The matter may be thus stated, or, more properly speaking, restated:

1. The Courts of the Seventh Circuit, upon a Bill averring the issuance of the First and Second Patents, held that Christensen obtained a valid patent; and, in form decreed the Second Patent valid but upon a record showing the identity of the two except in particulars not material in the then status of the case.

2. The Courts of the Third Circuit, upon an identical bill, but without determining that Christensen obtained a valid patent, in form, decreed a dismissal of the Bill as to the Second Patent and upon a record likewise showing identity of the two patents, except in certain particulars. Such Courts did so upon a conclusion that notwithstanding identity of subject matter of invention, the Patent Office was without warrant of law to issue the Second Patent as document evidencing the grant.

I, therefore, have no hesitation in concluding that the situation in the two circuits were and are such as cannot bind this Court respect the ruling in the Third Circuit as effective to annul the p

ceedings still pending here, and, in effect, to overthrow the adjudication here made in Christensen's favor. If the Courts in the Third Circuit never considered or determined the controversy pending and in fact determined here, then their hypothetical determination of a question considered and determined here in connection with the real controversy upon the Bill actually determined here, but which controversy was not determined there, cannot be treated as a sort of an advance adjudication of that question, binding upon this Court in its future consideration of the case. The fact that the question was conceived to be determinable upon Bill and Answer, makes no difference so long as the Courts there did not determine the controversy which was the subject matter of the Bill. It is of no consequence nor binding upon the Courts here, that other Courts may have said that the question of validity as between the two
317 patents, had become "important," as bearing upon the "term" of the monopoly and the "marking" of patented structures, so long as the controversy wherein it is important remains unadjudicated in the Courts expressing such view.

I am content to rest a denial of the motion upon the considerations herein set forth as sufficient to eliminate the doctrine of the Hart Steel Company case, and shall, therefore, not consider other suggestions made by counsel for the plaintiff upon which they assert the nonapplicability of that case or its doctrine; or upon which they assert that the motion can in no event be entertained in this Court; and the motion is likewise disposed of without determining whether the privity of relation between the Westinghouse Brake Company and the plaintiff National Brake Company existed or exists, as claimed by the former; that is merely assumed as a fact for the purpose of testing out the applicability of the doctrine of the Hart Steel Company case in view of the records of the cases in the two circuits.

It was suggested by counsel for the defendant that, in the event the pending motion be adversely determined to it, a review or attempted review of the decision in the Court of Appeals might be desired; and a request was made that, to afford opportunity to make application for review, a reasonable stay of proceedings in the accounting before the Master be granted. My own notions respecting the reviewability of the determination now made should not, of course, influence the granting or withholding of such request; if the defendant desires to obtain appellate review of the present ruling, there can be no objection to affording reasonable opportunity to attempt the assertion of an appropriate proceeding. Therefore, ten days may be allowed for that purpose, during which proceedings before the Master may be stayed.

An order may be entered denying the defendant's motion to dismiss and staying proceedings before the Master for ten days from the date of the entry of such order.

F. A. GEIGER,
District Judge.

318

(Filed July 31, 1918.)

In the District Court of the United States for the Eastern District of Wisconsin.

In Equity. No. 474.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY, Plaintiffs

vs.

THE NATIONAL BRAKE & ELECTRIC COMPANY, Defendant.

The motion of defendant to dismiss the proceedings herein having come on to be heard and having been duly argued by counsel, and the court being fully advised in the premises,

It is ordered, that said motion be and the same hereby is denied.

It is further ordered, that the proceedings before the master shall be stayed for a period of ten days from the date of the entry of this order.

Enter.

F. A. GEIGER,
District Judge.

July 31, 1918.

319 & 320 United States Circuit Court of Appeals for the Seventh Circuit.

I, Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages, numbered from 1 to 318, inclusive, contain a true copy of the "Proceedings in Lower Court and in Pittsburgh case In Re Petitioner's Application for an Order Directing Dismissal of Bill brought in the United States District Court for the Eastern District of Wisconsin," filed October 1st, 1918, in the case of National Brake & Electric Company, Petitioner, vs. Niels A. Christensen and Allis-Chalmers Company, Respondents, No. 2163, October Term, 1917, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof, I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this seventh day of May, A. D. 1918.

[Seal United States Circuit Court of Appeals, Seventh Circuit.]

EDWARD M. HOLLOWAY,
*Clerk of the United States Circuit Court
of Appeals for the Seventh Circuit.*

321 At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit Begun and Held in the United States Court Room, in the City of Chicago, in said Seventh Circuit, on the Second Day of October, 1917, of the October Term, in the Year of our Lord one thousand nine hundred and seventeen, and of our Independence the one hundred and forty-second.

And afterwards, to wit: On the nineteenth day of August, 1918, in the October term last aforesaid, there was filed in the office of the Clerk of this Court a certain Application or Petition, and an Order of Court entered, which said application or Petition and Order are not copied here, as the same appear on pages one (1) and seven (7) respectively of the "Pleadings in the Matter of the Application of National Brake & Electric Company for an Order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, In Equity No. 474; and for a Stay of Proceedings in the District Court until Application is heard and Determined," certified herewith.

And afterwards, to wit: On the tenth day of September, 1918, in the October term last aforesaid, there was filed in the office of the Clerk of this Court, a certain Answer, which said Answer is not copied here, as the same appears on page eight (8) of the "Pleadings in the Matter of the Application of National Brake & Electric Company for an Order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, in Equity No. 474; and for a Stay of Proceedings in the District Court until Application is heard and Determined," certified therewith.

322 At a regular term of the United States Circuit Court of Appeals for the Seventh Circuit Begun and Held in the United States Court room, in the City of Chicago in said Seventh Circuit, on the first day of October, 1918, of the October term, in the year of our Lord one thousand nine hundred and eighteen, and of our Independence the one hundred and forty-third.

And afterwards, to wit: On the first day of October, 1918, in the October term last aforesaid, there was filed in the office of the Clerk of this Court a certain Stipulation, which said Stipulation is not copied here, as the same appears on page sixteen (16) of the "Pleadings in the Matter of the Application of National Brake & Electric Company for an Order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, In Equity No. 474; and for a Stay of Proceedings in the District Court until Application is heard and Determined," certified herewith.

And afterwards, on the same day, to wit: On the first day of October, 1918, the following further proceedings were had and entered of record, to wit:

Tuesday, October 1, 1918.

Court opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Julian W. Mack, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

2163.

NATIONAL BRAKE & ELECTRIC COMPANY

vs.

NIELS A. CHRISTENSEN et al.

It is ordered by the Court that the motion to dismiss the bill of Complaint, etc., be, and the same is hereby set down for hearing on November 12, 1918.

And afterwards, to wit: On the seventeenth day of October, 1918, in the October term last aforesaid, the following further proceedings were had and entered of record, to wit:

Thursday, October 17, 1918.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Julian W. Mack, Circuit Judge.
Hon. Samuel Alschuler, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

2163.

NATIONAL BRAKE & ELECTRIC COMPANY

vs.

NIELS A. CHRISTENSEN et al.

It is ordered by the Court that the motion for dismissal of bill of complaint, etc. in this cause be, and the same is hereby set down for hearing on November 19, 1918.

324 And afterwards, to wit: On the nineteenth day of November, 1918, in the October term last aforesaid, the following further proceedings were had and entered of record, to wit:

Tuesday, November 19, 1918.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
Hon. Julian W. Mack, Circuit Judge.
Hon. Samuel Alschuler, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.
Edward M. Holloway, Clerk.
John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
Hon. Julian W. Mack, Circuit Judge.
Hon. Evan A. Evans, Circuit Judge.

2163.

NATIONAL BRAKE & ELECTRIC COMPANY

VS.

NIELS A. CHRISTENSEN et al.

Now this day come the parties by their counsel and the Petition for an order directing the dismissal by the District Court of the United States for the Eastern District of Wisconsin of the bill of complaint brought and filed against said National Brake and Electric Company, as defendant, by Niels A. Christensen and Allis-Chalmers Company, as plaintiffs in the United States District Court for the Eastern District of Wisconsin, Equity Number 474, now comes on to be heard on the printed record and briefs of counsel and on oral arguments by Mr. John S. Miller, counsel for petitioner, and by Mr. Joseph B. Cotton and Mr. Louis Quarles, counsel for respondent, and the Court having heard the same, takes this matter under advisement.

325 And afterwards, to wit: On the twentieth day of November, 1918, in the October term last aforesaid, there was filed in the office of the Clerk of this Court a certain Notice of Motion for leave to file an additional page to brief for Respondents, which said Notice of Motion is not copied here nor made a part of this record.

And afterwards, to wit: On the twenty-ninth day of April, 1919, in the October term last aforesaid, there was filed in the office of the Clerk of this Court the opinion of the Court, which opinion is the words and figures following, to-wit:

In the United States Circuit Court of Appeals for the Seventh Circuit. October Term, 1918, April Session, 1919.

No. 2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Petitioner,

VS.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
Respondents.

Application for an Order Directing Dismissal of Bill Brought in the United States District Court for the Eastern District of Wisconsin

Before Baker, Mack and Evans, Circuit Judges.

BAKER, *Circuit Judge*, delivered the opinion of the court.

Respondents sued petitioner in the District Court for the Eastern District of Wisconsin for alleged infringement of Patent No. 635,281 issued Oct. 17, 1899, to N. A. Christensen, for a combined
326 pump and motor. On issues joined as to the ultimate right of the parties, the District Court heard and considered all the evidence each side had to offer respecting the ownership, validity and infringement of the patent, and thereupon adjudged and decreed that respondents were the owners of a valid patent which was being infringed by structures made, used and sold by petitioner, that petitioner and its agents be enjoined during the life of the patent from making, using or selling any combined pump and motor embodying the Christensen improvements, and that an accounting before named master in chancery be had for past infringements. On appeal to this court that decree was affirmed in 1915. Ever since a mandate was issued, the cause has been pending in the District Court in Wisconsin on the accounting.

Some time after the decisions in this circuit, respondents began suit on the same patent against the Westinghouse Traction Brake Company in the District Court for the Western District of Pennsylvania. That litigation resulted in a decree, entered in 1917, pursuant to the mandate of the Circuit Court of Appeals for the Third Circuit, holding the patent invalid and dismissing the bill for want of equity.

Thereupon petitioner went into the District Court in Wisconsin and on representations that it was entitled to the benefit of the Pennsylvania decree as a privy asked that the Wisconsin decree be vacated and petitioner be granted leave to amend its answer on

merits by setting up the Pennsylvania decree as *res adjudicata*. That petition was denied.

And now petitioner comes before us in an original proceeding, asking that we recall our mandate, vacate our decree, find that the Pennsylvania decree is *res adjudicata* in this case, and thereupon direct the vacation of the Wisconsin decree and the dismissal of the bill on the merits.

On the records of the two cases, which are submitted as constituting all the evidence that bears on this motion, respondents dispute petitioner's contentions as to the identity of subject matter and parties in the two decrees. But at the threshold lies the question of the nature and effect of the Wisconsin decree, affirmed by this court, and we have stated the case only in that aspect.

327 A decree may be looked at from the point of view of time, and also from that of essence. The former discloses procedural law, mainly statutory appellate procedure; the latter concerns the right of a party who, for instance, on issues joined respecting title to property and exclusive possession or use, has submitted all his proofs and arguments, afterwards to require the court to ignore its deliberate decree on title and right of possession and to hear again the evidence and arguments on those issues because a supplemental or dependent issue has been reserved for future judicial determination.

If a decree writes "*finis*" to the litigation, it certainly merits the term "*final*" in time relation. But even in the time relation of procedure, the last judicial action is not always the matter that is reviewed on appeal. If a chancellor entertains a petition for a rehearing (motion for a new trial), his denial of the petition may be the final judicial action in the case, but his decree on the merits as deduced from the evidence and the law is the matter that is reviewed. The effect of the final order in time is to bring forward to the same time the order on the merits. *Brockett v. Brockett*, 2 How. 238; *Aspen Mining Co. v. Billings*, 150 U. S. 31; *Kingman v. Western Mfg. Co.* 170 U. S. 675; *Chicago G. W. Rld. Co. v. Gasham*, — U. S. — (Mar. 3, 1919).

Federal appellate procedure is wholly statutory. When the statute limited appeals to "*final*" decrees, the meaning of "*final*" was a matter of statutory construction. It was within the province of the court to declare that a "*final*" order was only the one that ends the litigation in the trial court and that the legislative intent was against "*piecemeal*" appeals. *Barnard v. Gibson*, 7 How. 650; *Craighead v. Wilson*, 18 How. 199; *Beebe v. Russell*, 19 How. 60; *Humiston v. Stainthorp*, 2 Wall. 106; *Green v. Fisk*, 103 U. S. 518; *Keystone Co. v. Martin*, 132 U. S. 91; *McGourkey v. Toledo Ry. Co.*, 146 U. S. 336; *Ex parte National Enameling Co.*, 201 U. S. 156; *Heike v. U. S.*, 217 U. S. 423; *Hamilton Shoe Co. v. Wolf Brothers*, 240 U. S. 251. In many of these cases the point was stressed that the intermediate order or decree sought to be presented for review, regardless

of its essence, was not final for the purposes of appeal with
 328 the meaning of the statute. In the *Heike* case the court
 observed: "It is true that in a certain sense an order coming
 ing a controlling question of law made in a case is, as to that ques-
 tion, final. Many interlocutory orders effectually dispose of some
 matters in controversy, but that is not the test of finality for the
 purposes of appeal or writ of error." If an order that is interlocutory
 in time effectually disposes of certain issues under the law and the
 evidence, the effect of the last order that disposes of the remaining
 issues is the same as the effect of the order denying a motion for a
 hearing,—it brings forward to the latter date for the purposes of
 appeal the intermediate order on the merits, unless there is a special
 statutory provision for an intermediate appeal from the intermediate
 order in question.

Even in cases of procedural law, where the only question was when
 the time for taking an appeal was ripe, the manifest inconveniences
 and hardships from long postponements of a review of a decree, inter-
 mediate in time, but based on a full submission and consideration of
 the law and the evidence respecting the foundational issues of title
 and use, led to exceptions in the application of the time rule. In
Forgay v. Conrad, 6 How. 290, an assignee in bankruptcy filed a bill
 to cancel sundry deeds of the bankrupt, to establish the assignee's
 title and right of possession, and to obtain an accounting of the rents
 and profits received by the defendants. On a full hearing of all the
 issues of title and right of possession, and of the fact that defendant
 had been in unlawful possession, the trial court decreed that the com-
 plainant was the owner and was entitled at once to exclude the de-
 fendants from the property, that the defendants' receipts of rents
 and profits were unlawful, that the amount thereof be determined by
 an accounting before a master, and that so much of the bill as re-
 lated to the accounting be retained for further decree. Plainly the
 parties were kept in court for determination of an issue within the
 pleadings. Plainly the decree on title and right of possession was the
 the "final" decree in time relation. Plainly, in its essence, the
 decree was final as to the issues then adjudged, for they "could
 have been afterwards reconsidered or modified except upon
 329 petition for a rehearing"; and the only question was whether
 an appeal should then be allowed or only after all issues had been
 finally disposed of in the trial court. In view of the fact that
 the assignee in bankruptcy might distribute the proceeds of the sale
 of the property among the creditors before the accounting issue be-
 rents and profits was finally disposed of, the appeal was permitted to
 stand. In aid of the "no piecemeal appeals" rule Mr. Chief Justice
 Taney condemned the splitting of cases and the rendition of two
 or more final decrees on the merits and pointed out to the trial court
 that after a full hearing of the foundational rights of the parties on
 an opinion should be given and no executable orders entered until
 the master's account of profits or damages was in, so that all matters
 in dispute might be embodied in "one final decree." (But the

means that underlay that attitude have lost their importance by changes in appellate procedure introduced in the act creating the Circuit Courts of Appeals.) *Thomas v. Dean*, 7 Wall. 342, was a similar case. There also the decree on review finally adjudged title and right of possession, and reserved the matter of accounting for a future decree.

While *Forgray v. Conrad* and *Thomas v. Dean* are exceptional cases in the application of the Federal appeals statute then in force, they are not exceptional when substantive law is the test. Indeed, throughout the world of English-derived jurisprudence, there is unanimity that a decree which, on issues joined, and on submission by the parties and consideration by the court of all the evidence the parties can or choose to adduce and all the law the parties and the court deem applicable, adjudges that the complainant is the owner and entitled to the exclusive possession of property and that the defendant has unlawfully invaded the complainant's rights, and orders the defendant to surrender or keep away from the property forever, is a final decree on those issues, even though the issue concerning profits or damages from the defendant's trespasses has been reserved for future judicial action. Decrees of this character have been held to be final in essence, regardless of time relation, in cases of partition, partnership, foreclosure, redemption, cancellation, rescission, injunction, condemnation, and many others.⁹ English courts have never

been tied by a statute limiting appeals to those that write "finis" to the litigation. In an English chancery cause there may be successive appeals. Consequently the essential nature of the decree

⁹Partition Cases: *Allison v. Drake*, 145 Ill. 569; *Ames v. Ames*, 148 Ill. 321; *Williams v. Wells*, 62 Iowa 749; *Danforth v. Klock*, 28 Mich. 162; *McRobert v. Lockwood*, 69 (66, 69, 374; *Lechman v. Loan & Security Co.*, 59 S. E. 372 (Ga.); *Cedar Co. v. Peoples Bank*, 111 Fed. 440 (4th C. C. A.); *Richmond v. Richmond*, 57 S. E. 736 (W. Va.).

Partnership Cases: *Devoter Land Co. v. Cook*, 27 So. 559 (Ala.); *Summis v. Poole*, 99 Ill. App. 119, affirmed in 198 Ill. 296; *Silver v. Aiken*, 67 Ala. 313; *Boke v. Couch*, 165 Mich. 425.

Foreclosure and Redemption Cases: *Myers v. Munny*, 63 Ill. 211; *Gentry v. Lawley*, 27 So. 929 (Ala.); *Marquon v. Ross*, 78 Pac. 608 (Oregon); *Mills v. Bog*, 7 Paige 18; *Zimmerman v. Pugh*, 39 So. 990 (Ala.).

Cancellation or Reformation of Deed Cases: *McMurry v. Day*, 70 Iowa 671; *Lohman v. Cox*, 56 Pac. 286 (New Mexico); *Stahl v. Stahl*, 220 Ill. 198; *Jones v. Wilson*, 54 Ala. 50; *Johnson v. Northern Trust Co.*, 265 Ill. 263.

Perpetual Injunction Cases: *M. & M. Natl. Bank v. Kent*, 43 Mich. 392; *Racine v. Lee*, 113 Pac. 834 (New Mexico); *Improvement Co. v. Land*, 113 Pac. 840 (New Mexico); *Chicago Life Ins. Co. v. Auditor*, 199 Ill. 68; *Earl v. Jacobs*, 142 S. W. 1079 (Mich.).

Condemnation Cases: *Pettition of Phil. M. & B. Ry. Co.*, 53 Atl. 191 (Pa.); *Tenn. Cent. Ry. Co. v. Campbell*, 75 S. W. 1012 (Tenn.).

Miscellaneous Cases: *Walker v. Crawford*, 79 Ala. 265; *Pouque v. Bank*, 65 Pac. 124 (Cal.); *Wynn v. Bank*, 53 So. 278 (Ala.); *Robert v. Roseman*, 67 Atl. 339 (N. J.); *Klein v. Independent Brewing Assn.*, 231 Ill. 394; *Townsend v. Peterson*, 12 Colo. 491; *Fry v. Rush*, 65 Pac. 701 (Kan.); *Perrin v. Lopez*, 72 Mich. 654; *Ayer v. Termatt*, 8 Minn. 96; *De Grasse v. Comstock Co.*, 236 Ill. 73; *Arnold v. Sinclair*, 29 Pac. 340 (Mont.); *Rawley v. Harris*, 47 S. W. 176 (Tenn.); *France v. Bell*, 71 N. W. 984 (Nebr.); *Morson v. Stanley*, 81 Pac. 770 (Colo.); *Seher v. Crawford*, 65 Pac. 126 (New Mexico); *Canal Co. v. State of Louisiana*, 233 U. S. 302.

or order has furnished the test.** And in its simplest form the test is whether the parties have intended to submit and have submitted the issue of title or right upon all their admissible contentions of fact and law and the court has intended to decide and has decided the issue and has put its decision into an immediately executable decree which in terms puts an end to that controversy, with no reservation of right to the parties or to the court for farther or renewed

331 presentation and consideration. Such a decree can be opened only on petition for rehearing, bill of review, or appeal.

From the point of view of time any order is interlocutory as it "speaks between" the beginning and the end of the litigation. But from the point of view of essence only those orders are interlocutory which abstain from determining the merits of any foundational issue of title or right and do no more than control temporarily the possession or use of property or the actions of the parties in order that the decree or decrees on the merits when rendered may be effectively executed.

Injunction cases (and there can be in reason no difference between the equitable protection of patent rights and other rights) furnish a particularly clear example of the essential distinction. An owner's property is harassed by repeated and continuing trespasses. He no longer brings a common law action for damages on account of the trespass. But that is not an adequate remedy against a persistent trespasser. So the owner invokes the equitable remedy of injunction devised by the oldtime chancellors. In his bill he sets forth his title and right of exclusive possession and the defendant's repeated and continuing trespasses as indicative of the defendant's intent to trespass in the future, and thereupon prays, always for a permanent injunction and sometimes for a temporary. If on affidavits and other informal and inconclusive evidence the chancellor orders the defendant to refrain until he can determine the equities on a full and formal submission and deliberate consideration of all the evidence and law, the order is not only interlocutory in time but also in essence. But when the parties have submitted everything they have respecting title and right to exclusive possession and the defendant's minatory attitude and thereupon the chancellor enters a permanent injunction, immediately executable, the order is final in essence on the issues submitted and determined, but may be either final or interlocutory in time relation. It is final in time if the owner asks no damages for past trespasses or, having asked, waives them. (In *McGourkey v. Toledo & Ohio Ry. Co.*, 146 U. S. 536, 546, it was said that a decree fixing the rights and liabilities of the parties and ordering an

**British and Colonial Cases: *In re Stockton Iron Furnace Co.*, 10 L. J. Ch. D. 335; *Voll v. Smith*, 31 E. & B. 908; *Fenner v. Wilson*, 62 L. J. Ch. 98; *North British Bank v. Collins*, 1 MacQueen (Scottish Appeal Cases) 360; *St. v. St. Louis*, 8 Supreme Court of Canada 385; *Baptist v. Baptist*, 21 Supreme Court of Canada 425; *Ahmed Musaji Saleji v. Hashim Ibrahim Saleji*, Indian Law Reports, 29 Calcutta 758; *Bhup Indur Bahadur Singh v. Bajaj Bahadur Singh*, Indian Law Reports, 23 Allahabad 156; *Bolovan Dey v. Ram Chandra Dey*, Indian Law Reports, 23 Calcutta 279; *Charles v. Hertz' Trustees*, 28 Transvaal Supreme Court 584.

counting before a master is final in time relation, that is, for the purposes of appeal, "if such accounting be not asked for in the bill.") It is interlocutory in time if the owner sets up and demands his damages for past trespasses and the chancellor reserves that matter for future judicial action. But how comes the chancellor to act at all upon the matter of damages? Injunction, which is the sole basis of the equitable jurisdiction over the bill, is prospective,—it regulates the conduct of the defendant for the future. Damages concern only the past. For them a common law action was proper and adequate. But the chancellor, having rightly taken cognizance of an equitable subject-matter, rightly concludes, in order that there may be a speedy determination of both the equitable and the legal causes of action concerning the same property, not to remit the parties to the common law court, but to entertain the common law cause of action as an appendage of the equitable cause. When the chancellor has found the complainant's title and right to exclusive possession and from evidence of the defendant's repeated and continuing trespasses has found the defendant's threat as to the future, his entry of a permanent injunction exhausts every equitable issue in the bill. But the same evidence that discloses the defendant's threat as to the future usually proves the existence of damages for past trespasses. All that remains in such a case is to ascertain one element, the amount, in order to make the common law cause of action complete. And it is more convenient that this should be done in the court that already has jurisdiction of the parties and has established from the evidence the foundation of the common law cause of action. So the decree of a permanent injunction, determining as it does all the equities of the bill, is final as to the equities, irrespective of whether an accounting of damages for past trespasses is or is not reserved for future action.

With respect to time relation the distinction between a temporary and a perpetual injunction may be ignored without injury to the parties. If a decree that holds or creates a status until a full hearing can be had is challenged, the appeal must be taken within thirty days. Such a decree is interlocutory both in time and in essence. If a decree dismisses an injunctive bill for want of equity, a period of six months is allowed for appeal. Such a decree is final both in time and in essence. If a decree establishes a perpetual injunction and orders an accounting, no injury is done if, as a matter of procedural law, it be held that an appeal must be taken within thirty days. Such a decree, though final in essence, is interlocutory in time, and, stressing time in procedure, it may be better that the decree be classified as interlocutory for the purposes of appeal. But, although appeals from decrees of temporary injunction and from decrees of perpetual injunction with accounting reserved are thus brought within the same section of the appellate statute, no bar to recognizing the difference in essence between temporary and perpetual injunctions is thereby formed. On appeal from a decree of temporary injunction, the only question is

whether the trial court abused its discretion in holding or creating a status. If a decree of perpetual injunction with accounting reserved must be held to be interlocutory in essence because it is held to be interlocutory in time, then the only question on appeal would be the chancellor's abuse of discretion. This very contention was presented in *Smith v. Vulcan Iron Works*, 165 U. S. 518, and was rejected.

If a decree of perpetual injunction with accounting reserved is merely interlocutory in essence, then the defendant as a matter of right can insist that the chancellor hear again the same evidence and newly discovered evidence and decide anew the equities of the bill. If such a decree is affirmed on appeal, its character, if interlocutory in essence, is not thereby changed, and the defendant could still insist on having his day in the trial court on the merits. In reply to such an insistence in *In re Potts*, 166 U. S., 263, the court said:

"The decision and decree of this court did not amount indeed, technically speaking, to a final judgment, because the matter of accounting remained to be disposed of. But they constituted an adjudication by this court of all questions, whether of law or fact, involved in the conclusion that the letters patent of the plaintiff were valid and had been infringed. The questions of novelty and infringement were before this court, and disposed of by its decree, and must therefore be deemed to have been finally settled, and could not afterwards be reconsidered by the circuit court."

And the defendant of course could not have the Supreme Court reconsider its final decree on validity and infringement except
334 by petition for rehearing. Inasmuch as the act creating the Circuit Courts of Appeals requires those courts to hear and determine patent cases in the way theretofore done by the Supreme Court, we had assumed that our books were closed on the questions of the validity and infringement of the Christensen patent ever since 1915.

Lovell-McConnell Co. v. Auto Supply Co., 235 U. S. 383, involved a matter of taxable costs in a Circuit Court of Appeals. The fees in question were not taxable if the decree appealed from was a "final decree." It was held that a decree finding a patent valid and infringed, awarding a permanent injunction, and directing an accounting of damages and profits, was a final decree for the purpose of determining the rights of the parties concerning costs. If a decree that is held to be interlocutory for the purpose of appeal is held to be final respecting a right to costs, how much more important it is that such a decree be held to be final respecting the right to hold a permanent injunction based on findings of validity and infringement after a full submission and consideration of all the evidence and the law bearing on those issues.

In *Hamilton Shoe Co. v. Wolf Brothers*, 240 U. S. 251, the statute governing the issuance of writs of certiorari by the Supreme Court to Circuit Courts of Appeals was interpreted and applied. It was held that a refusal to grant the writ on application to review a decree of

perpetual injunction with accounting reserved was not equivalent to an affirmance of that decree by the Supreme Court; and that, a writ of certiorari having been granted after the Circuit Court of Appeals had passed on the accounting, the whole case was before the Supreme Court for review. This procedural decision is not deemed by us to oppose a holding that a decree of perpetual injunction with accounting reserved is a final decree on the equities unless vacated on appeal or writ of certiorari.

Hart Steel Co. v. Railroad Supply Co., 244 U. S. 294, is relied on by petitioner as demonstrating that the decree here in question is merely interlocutory in essence. In that case a bill for infringement was dismissed for want of equity by a District Court in Ohio, and that decree had been affirmed by the Circuit Court of Appeals for the

Sixth Circuit. Contemporaneously a bill by the same complainant against different defendants was pending in a District Court in Illinois, and that bill was dismissed for want of equity. When the appeal from that decree came before this court, the defendants-appellees moved that the decree of the District Court be affirmed on the ground that they were in privity with the defendant in the Ohio case. The Supreme Court held that the issue of the defendants-appellees having been privies to the decree of the District Court in Ohio was pleadable and the question of fact triable in this appellate court. The decrees of the two District Courts and the decree of the Circuit Court of Appeals for the Sixth Circuit were all final decrees both in time and in essence. No question arose or could arise whether a decree of perpetual injunction, immediately executable, though interlocutory in time by reason of a reserved accounting, is or is not final in essence on the issues of title and right of exclusive use. Our understanding of the Hart case is that the first adjudication on the equities of a bill is binding on the parties and their privies. In what ways that first adjudication may be availed of are matters of pro-

parties in submitting their full proofs and the character of such submission and the intention of the court in giving deliberate consideration to all the evidence and law the parties can present and the character of the result of

cedure. We do not understand that the intention of the parties in submitting their full proofs and the character of such submission and the intention of the court in giving deliberate consideration to all the evidence and law the parties can present and the character of the result of such consideration are dependent upon the subsequent condition that the court shall always deny and never grant the equitable relief prayed for in the bill.

We are unable to find, as a matter of substantive law, that a perpetual injunction has only a temporary purpose and force.

The petition is

Denied.

336 And afterwards, on the same day, to wit: On the twenty-ninth day of April, 1919, in the October term last aforesaid the following further proceedings were had and entered of record to wit:

Tuesday, April 29, 1919.

Court met pursuant to adjournment and was opened by proclamation of crier.

Present:

Hon. Francis E. Baker, Circuit Judge, presiding.
 Hon. Samuel Alschuler, Circuit Judge.
 Hon. Evan A. Evans, Circuit Judge.
 Hon. George T. Page, Circuit Judge.
 Edward M. Holloway, Clerk.
 John J. Bradley, Marshal.

Before:

Hon. Francis E. Baker, Circuit Judge.
 Hon. Julian W. Mack, Circuit Judge.
 Hon. Evan A. Evans, Circuit Judge.

2163.

NATIONAL BRAKE & ELECTRIC COMPANY, Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-CHALMERS COMPANY,
 Respondents.

Application for an Order Directing Dismissal of Bill Brought in the United States District Court for the Eastern District of Wisconsin.

It is now here ordered, adjudged and decreed by this Court that the petition of National Brake & Electric Company for an order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, In Equity 474, and for a stay of proceedings in the said District Court in said cause until the said petition is heard and determined, be, and the same is hereby denied with costs.

337 United States Circuit Court of Appeals for the Seventh Circuit.

I, Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages, numbered from 321 to 336, inclusive, contain a true copy of the proceedings had and papers filed (except the Application or Petition, filed August 19, 1918, the Order entered August 19, 1918, the Answer filed September 10, 1918, and the Stip

lation filed October 1, 1918, all of which appear on pages one (1), seven (7), eight (8) and sixteen (16) respectively, of the "Pleadings in the Matter of the Application of National Brake & Electric Company for an Order directing the dismissal of the Bill of Complaint brought against it in the United States District Court for the Eastern District of Wisconsin, In Equity No. 474, and for a Stay of Proceedings in the District Court until Application is heard and Determined," certified herewith, the briefs of counsel and the Notice of Motion, which said Notice of Motion was filed November 20, 1918) in the case of National Brake & Electric Company, Petitioner, vs. Niels A. Christensen and Allis-Chalmers Company, Respondents, No. 2163, October Term, 1917, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this seventh day of May, A. D. 1919.

[Seal United States Circuit Court of Appeals, Seventh Circuit.]

EDWARD M. HOLLOWAY,
*Clerk of the United States Circuit Court
of Appeals for the Seventh Circuit.*

338 UNITED STATES OF AMERICA, ss:

[Seal of the Supreme Court of the United States.]

The President of the United States of America to the Honorable the Judges of the United States Circuit Court of Appeals for the Seventh Circuit, Greeting:

Being informed that there is now pending before you a suit in which National Brake & Electric Company is petitioner, and Niels A. Christensen and Allis-Chalmers Company are respondents, No. 2163, and we, being willing for certain reasons that the said cause and the record and proceedings therein should be certified by the said Circuit Court of Appeals and removed into the Supreme Court of the United States, do hereby command you that you send
339 without delay to the said Supreme Court, as aforesaid, the record and proceedings in said cause, so that the said Supreme Court may act thereon as of right and according to law ought to be done.

Witness the Honorable Edward D. White, Chief Justice of the United States, the seventeenth day of June, in the year of our Lord one thousand nine hundred and nineteen.

JAMES D. MAHER,
*Clerk of the Supreme Court
of the United States.*

In the United States Circuit Court of Appeals for the Seventh Circuit.

In obedience to the within writ, I herewith transmit to the Supreme Court of the United States, a true and complete transcript of the record and proceedings in the foregoing entitled cause this 20th day of June, A. D. 1919.

[Seal United States Circuit Court of Appeals, Seventh Circuit.]

EDWARD M. HOLLOWAY,
*Clerk of the United States Circuit Court
of Appeals of the Seventh Circuit.*

340 [Endorsed:] File No. 27,133. Supreme Court of the United States, No. 1047, October Term, 1918. National Brake & Electric Company vs. Niels A. Christensen et al. Writ of Certiorari. Filed Jun- 20, 1919. Edward M. Holloway, clerk.

341 [Endorsed:] File No. 27,133. Supreme Court U. S., October Term, 1918. Term No. 382. National Brake & Electric Co., petitioner, vs. Niels A. Christen- et al. Writ of certiorari and return. Filed June 23, 1919.

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JAMES D. WAHER;
CLERK.

IN THE
Supreme Court of the United States.

OCTOBER TERM, A. D. 1919.

No.  111

NATIONAL BRAKE & ELECTRIC COM-
PANY,

Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-
CHALMERS COMPANY,

Respondents.

Certiorari to the
United States
Circuit Court of
Appeals for the
Seventh Circuit.

MOTION FOR WRIT OF PROHIBITION OR OTHER PROPER
DIRECTION TO HARRY L. KELLOGG, ESQ., MASTER IN
CHANCERY OF THE DISTRICT COURT OF THE UNITED
STATES FOR THE EASTERN DISTRICT OF WISCONSIN, AND
TO THE HON. FERDINAND A. GEIGER, JUDGE OF THE
DISTRICT COURT OF THE UNITED STATES FOR THE EAST-
ERN DISTRICT OF WISCONSIN, AND STATEMENT OF FACTS
CONCERNING THE SAID MOTION AND THE OBJECTS OF
THE SAME.

THOMAS B. KERR,
CHARLES A. BROWN,
Solicitors,

JOHN S. MILLER,
EDWARD OSGOOD BROWN,
*Of Counsel,
For Petitioner.*



IN THE
SUPREME COURT OF THE UNITED STATES,

October Term, A. D. 1919.

No. 382.

NATIONAL BRAKE & ELECTRIC COM-
PANY,

Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-
CHALMERS COMPANY,

Respondents.

Certiorari to the
United States
Circuit Court of
Appeals for the
Seventh Circuit.

Application in said cause to the Supreme Court of the United States for a writ of prohibition or other proper writ or order to be directed to Harry L. Kellogg, Esq., master in chancery of the District Court of the United States for the Eastern District of Wisconsin, and to the Honorable Ferdinand A. Geiger, judge of the District Court of the United States for the Eastern District of Wisconsin, commanding them to stay all further proceedings under the decree of said District Court of the United States for the Eastern District of Wisconsin in the case of Niels A. Christensen and Allis-Chalmers Company entered by said District Court on the twenty-first day of August, A. D. 1914, and to stay the accounting which is proceeding under said decree, until the said above entitled cause pending in the Supreme Court of the United States shall be decided by said court or until the further order of that court.

NOTICE.

To Niels A. Christensen, and Allis-Chalmers Company, or their solicitors, Joseph B. Cotton, Willett M. Spooner,

Louis Quarles, and William R. Rummeler, and to Hon. L. Kellogg, Esq., master in chancery of the District Court of the United States for the Eastern District of Wisconsin, and to The Honorable Ferdinand A. Geigley, judge of said court.

Please take notice that we shall present the motion for writ of prohibition or other proper writ in this order and the statement in support thereof hereunto annexed to the Supreme Court of the United States at the capitol in the City of Washington, District of Columbia on the 27th day of October, A. D. 1919, at the opening of the court on that day or as soon thereafter as counsel can be heard.

THOMAS B. KERR,
CHARLES A. BROWN,
Solicitors

JOHN S. MILLER,
EDWARD OSGOOD BROWN,
Of Counsel.

Service of the foregoing petition and brief in the above entitled cause is admitted on this 24th day of October, A. D. 1919.

James H. Brown
James H. Brown
James H. Brown
James H. Brown
James H. Brown
James H. Brown

IN THE
SUPREME COURT OF THE UNITED STATES,

October Term, A. D. 1919.

No. 382.

NATIONAL BRAKE & ELECTRIC COM-
PANY,

Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-
CHALMERS COMPANY,

Respondents.

Certiorari to the
United States
Circuit Court of
Appeals for the
Seventh Circuit.

*To the Honorable the Chief Justice and Associate Jus-
tices of the Supreme Court of the United States:*

Your petitioner, the National Brake & Electric Com-
pany, moves for a writ of prohibition or other proper
writ, direction or order to be directed to Harry L. Kel-
logg, Esq., master in chancery of the District Court of
the United States for the Eastern District of Wisconsin
and to the Honorable Ferdinand A. Geiger, judge of
the District Court of the United States for the Eastern
District of Wisconsin, commanding them to stay all fur-
ther proceedings under the decree of said District Court
of the United States for the Eastern District of Wis-
consin, entered on the 21st day of August, A. D. 1914, in
the suit (being Equity No. 474) of Niels A. Christensen
and Allis-Chalmers Company is this petitioner, National
Brake & Electric Company,—and to stay the ac-
counting which is proceeding under said decree,—until
the above entitled cause of the *National Brake & Electric
Company, Petitioner v. Niels A. Christensen and Allis-*

Chalmers Company, now before this court on certiorari from the Circuit Court of Appeals of the Seventh Circuit shall be heard and determined by this court, or by the further order of this court; and as grounds of the motion represents:

First. That on June 9, 1919, this court issued its writ of certiorari to the Circuit Court of Appeals for the Seventh Circuit to review the judgment of that court of April 29, 1919, dismissing the petition or motion of petitioner of August 19, 1918, hereinafter mentioned, in the cause and matter hereinafter mentioned, that is to say:

The petitioner was the defendant in the District Court of the United States for the Eastern District of Wisconsin, in the said suit, Equity No. 474, for an alleged infringement of patent No. 635280 issued October 17, 1899, to N. A. Christensen for a combined pump and motor. The said District Court after hearing, by a decretal order, maintained by us to be interlocutory, decreed on August 21, 1914, that the complainants were the owners of the patent, that it was valid and infringed by structures made, used and sold by petitioner, and that petitioner and its agents be and were enjoined from making, using or selling such structures during the life of the said patent, and that an accounting should be had before a named master in chancery for past infringements.

From this decree an appeal was prayed by the defendant to the Circuit Court of Appeals for the Seventh Circuit, being case No. 2163 in that court, and therein on October 5, 1915, the decree in question was, by the judgment of that court (also maintained by us to be interlocutory), affirmed by the Circuit Court of Appeals also said, and ever since that affirmance the cause has been

pending in the District Court in Wisconsin on the accounting, and is now pending in said court,—the respondent to this petition, Harry L. Kellogg, Esq., being the master in chancery, before whom the accounting is proceeding.

In March, 1918, a motion was made by the defendant (this petitioner), in the District Court for the Eastern District of Wisconsin, to dismiss the bill of complaint in the case at the costs of the plaintiff, on the ground that all of the issues in the case had been fully and finally determined and adjudicated in defendant's favor by the Circuit Court of Appeals for the Third Circuit and by the final decree of the District Court for the Western District of Pennsylvania entered on the 1st day of October, 1917, in a suit between the plaintiffs and the Westinghouse Traction Brake Company, with which company the defendant was in privity; and in which suit, by such final decree, said patent 63280 was found, adjudged and decreed to be invalid and void.

After argument this motion was denied by the District Court for the Eastern District of Wisconsin on July 31, 1918.

Thereupon, on August 19, 1918, conceiving that the application looking to such dismissal by the District Court should be made to the Circuit Court of Appeals, and that the said District Court after the affirmance of its decree of August 21, 1914, by the Circuit Court of Appeals might not have, without the assent of said Circuit Court of Appeals, the right or power to set aside or modify or disregard its said decree of August 21, 1914, so affirmed by the Circuit Court of Appeals, the defendant (this petitioner), presented to the Circuit Court of Appeals for the Seventh Circuit an application for an order recalling its mandate, vacating its said judgment of affirm-

ance of said decree of said District Court for the Eastern District of Wisconsin, and remanding said cause to the said District Court with directions for the dismissal by the last mentioned court at the costs of the plaintiff of the said bill of complaint brought against it by said Christensen and Allis-Chalmers Company in the United States District Court for the Eastern District of Wisconsin Equity Number 474;—said suit being recited in said application or petition to be the same suit which was pending in said Circuit Court of Appeals upon the appeals of the National Brake and Electric Company as No. 2163 of the October Term, 1913, from the interlocutory decree of said District Court enjoining said defendant National Brake & Electric Company from infringing patent No. 635280, as appeared by the transcript upon said appeal then remaining in said court.

By stipulation between counsel for the respective parties, appearing of record herein, it was provided that the record on said application of petitioner in said Circuit Court of Appeals should consist of the petition to the Circuit Court of Appeals, and the answer thereto and copies of certain portions or excerpts from the testimony, pleadings, decrees, master's reports, etc., in the cause No. 474 in the District Court for the Eastern District of Wisconsin and in the causes in the Circuit Court of Appeals for the Third Circuit and in the District Court for the Western District of Pennsylvania, all of which are in the record herein on this certiorari and returned in obedience to said writ.

Said application by petition was heard by the Circuit Court of Appeals for the Seventh Circuit and denied and said petition or motion of petitioner was dismissed by an order of that court on April 29, 1919, at which time

an opinion was rendered by said court which placed its decision solely on the position that for the purposes of determining the rights of the parties, the decree of the District Court for the Eastern District of Wisconsin entered August 21, 1914, and affirmed by the Circuit Court of Appeals, October 5, 1915, sustaining said patent No. 635280 and finding infringement and ordering an accounting, was a final decree and not an interlocutory decree.

Second. That on June 2, 1919, this petitioner, The National Brake & Electric Company, presented to this court a petition for a writ of certiorari from this court to the United States Circuit Court of Appeals to review its said judgment order of April 29, 1919, and supported the same by setting forth in said petition the facts necessary for a consideration of the petition and the grounds on which said petition was based, and also by a brief filed with the said petition upon the questions therein involved. The said plaintiffs Niels A. Christensen and Allis-Chalmers Company filed with this court on the said day a brief made up of a "Statement of Facts" and an "Argument" in opposition to the issuance of said writ of certiorari.

On consideration thereof, this court on June 9, 1919, granted a certiorari which was duly issued and obeyed by the Circuit Court of Appeals of the Seventh Circuit, said cause being No. 382 on the docket of this court.

The said cause, as your petitioner submits, of the *National Brake and Electric Company v. Niels A. Christensen and Allis-Chalmers Company*, No. 474 in Equity in the District Court of the Eastern District in Wisconsin, and No. 2163 in Equity in the Circuit Court of Appeals of the Seventh Circuit, is now, therefore, before this court on and for the purposes of said certiorari. And the

petitioner represents that the record herein returned by said Circuit Court of Appeals in obedience to said writ of certiorari shows exactly the state of facts on which the petitioner founded its application to the Circuit Court of Appeals for the Seventh Circuit in August, 1918, and on being overruled there its application for a certiorari to this court.

Third. The petitioner on the granting of the certiorari by the Supreme Court as aforesaid,—being advised and believing that by its own force and effect the said certiorari so issued by this court operates to and does stay until the decision of the cause by this court, the further proceedings in both the Circuit Court of Appeals for the Seventh Circuit in Number 2163 on the docket of said court and in the District Court of the United States for the Eastern District of Wisconsin No. 474 in Equity on the docket of that court (being in each case the suit or litigation between said Christensen and the Allis-Chalmers Company on the one part and The National Brake & Electric Company of the other concerning their rights under patent 635280, as aforesaid),—brought to the attention of the Honorable Ferdinand A. Geiger sitting as judge in the United States District Court for the Eastern District of Wisconsin, and of Harry L. Kellogg, Esq., the master in chancery before whom the said accounting before described is proceeding, the issuance of said certiorari and requested them to stay the accounting and the further proceedings in said cause until this court should have heard and decided the cause so pending on certiorari before

But the said Honorable Ferdinand A. Geiger as judge of the District Court aforesaid and the said Harry L. Kellogg, Esq., master in chancery as aforesaid, declined and refused to further stay said proceed-

ings or order said proceedings or accounting to be stayed as requested, and the Honorable Ferdinand A. Geiger treating said suggestion of this petitioner as a motion to the said District Court of the Eastern District of Wisconsin to stay further proceedings under the decree in said cause, denied the same and rendered an opinion in doing so, expressing his conclusion as follows:

“It may be conceded as quite elementary that ordinarily the issuance of a writ of certiorari carries with it a supersedeas. But I cannot escape the conviction that the judgment which is the subject of the present proceedings in this court is not at all affected, either by the petition filed in the Circuit Court of Appeals, nor by the certiorari issued by the Supreme Court. Such petition filed three years after the Circuit Court of Appeals had exhausted its appellate jurisdiction—and the latter was the only jurisdiction ever invoked—is clearly of the nature of an original proceeding and in my judgment, particularly in view of the refusal of the Court of Appeals to grant the relief prayed for, reaches neither the judgment nor this court.”

Fourth. Conceiving that it might be proper, considering the judgment of October 5, 1915, of the Circuit Court of Appeals for the Seventh Circuit affirming the decree of the District Court of the United States for the Eastern District of Wisconsin entered on August 21, 1914, and the fact that the writ of certiorari from this court had been directed to said Circuit Court of Appeals, to apply to the said Circuit Court of Appeals for the Seventh Circuit for a direction to the District Court of the Eastern District of Wisconsin to stay proceedings in the said accounting under said decree, the petitioner The National Brake & Electric Company made such an application by motion before said Circuit Court of Appeals on October 7, 1919, at the coming in of said court for the October Term thereof. The said Circuit Court of Ap-

peals holding that since the issuance of the certiorari, it had no longer any jurisdiction over said cause or application, denied the said motion for such want of jurisdiction.

Fifth. The petitioner now moves this court, by writ of prohibition or other proper writ, direction or order, to direct the said Honorable Ferdinand A. Geiger, judge of the District Court of the United States, for the Eastern District of Wisconsin, and Harry L. Kellogg, Esq., master in chancery as aforesaid, to stay the further accounting in said cause of *Christensen v. The National Brake & Electric Company*, and any further proceedings in said cause under the decree rendered by the said District Court in said cause on August 21, 1914, until the further order of this court or the decision by this court of the cause, *The National Brake & Electric Company v. Niels A. Christensen and Allis-Chalmers Company*, No. 382 on the present docket of this court, for the following reasons:

(a) That such stay is the legal effect of the said certiorari issued as before set forth and described, and that the said Honorable Ferdinand A. Geiger and the said Harry L. Kellogg, Esq., master in chancery, have refused to take notice of and abide by said certiorari and the legal effect thereof, and

(b) That if such stay of the said accounting and further proceedings in said cause, be not as the petitioner is advised and believes it to be, the effect by its own force of the certiorari before described, issued by this court on June 9, 1919, it is respectfully asked that this court should exercise its power and discretion to direct such stay in furtherance of its jurisdiction and in order to make effective the certiorari which it has ordered and

by virtue of which the said cause is before this court for consideration and decision.

Should this court deem that it is the proper course of proceeding in such a case as this to move for leave to file a petition for a writ of prohibition or other proper writ or order, then the petitioner asks that this motion or application shall be regarded and taken as such application for leave to file a petition for such writ of prohibition or other writ or order, and that an order granting such leave be made.

Respectfully submitted,

NATIONAL BRAKE & ELECTRIC COMPANY,

Petitioner.

By THOMAS B. KERR,

CHARLES A. BROWN,

Its Solicitors.

JOHN S. MILLER,

EDWARD OSGOOD BROWN,

Of Counsel.



IN THE
SUPREME COURT OF THE UNITED STATES,

October Term, A. D. 1919.

No. 382.

National Brake & Electric Company,
Petitioner,

vs.

Niels A. Christensen and Allis-Chalmers Company,
Respondents.

BRIEF IN SUPPORT OF THE PRECEDING MOTION.

In compliance with our understanding of the rule of this court, we have incorporated in our written motion or petition submitted herewith, a statement of the facts and the objects of the motion—and there is little to add thereto, as we conceive. It would be superfluous to attempt an argument addressed to this court on the general effect of a certiorari issued by it to an inferior court in any given cause, whether that court is the intermediate and appellate tribunal or a court of original jurisdiction in which the litigation which is the subject of the certiorari, originated.

On this point, this court is, of course, the interpreter of its own process, mandates and orders. We can only submit to this court that which we submitted to the District Court of the Eastern District of Wisconsin, that it certainly is the general rule that a writ of certiorari from

this court is in and of itself a supersedeas in the litigation in which it is issued until this court has disposed of the subject matter and contentions involved in it. This has been hitherto invariably recognized by the inferior federal courts, as we believe, when the question has been raised. When the certiorari from this court has been directed to the Circuit Courts of Appeal, those courts have, as did in the instant case the Circuit Court of Appeals for the Seventh Circuit, declined—because their hands were tied and their jurisdiction of the case for the time lost by the certiorari—to make any direction to the court in which the litigation originated. But they have coupled frequently with that refusal and declination a statement that the certiorari was *proprio vigore*, a supersedeas and direction to the lower court to proceed for the time no further with the litigation.

Thus the Circuit Court of Appeals of the Ninth Circuit in *Waskey v. Hammer, et al.*, 179 F. R., 273, said, speaking of a certiorari issued to it by this court:

“It would seem upon principle in view of the effect of the writ and consequent stay that all proceedings in this court *as well as in the District Court of Alaska* to which the mandates of this court were issued, are stayed until the decision of the Supreme Court shall be rendered upon its review of the judgment of *this court*, and that notice of the issuance of the writ should be brought to the attention of the District Court in order that it may direct a stay of further proceedings, and that this court is powerless to act in the premises.”

And in *Louisville N. A. & C. Ry. Co. v. Louisville Trust Co., et al.*, 78 F. R., 659, the Circuit Court of Appeals of the Sixth Circuit, in declining to set aside because of a certiorari from this court an order of dismissal it had made, said:

“It (the certiorari), however, suspends any further act by the Circuit Court of Appeals *or by the*

trial court in obedience to the adjudication of the Circuit Court of Appeals, after the writ has been awarded or at least when the court is notified of the issuing of the writ of certiorari by the Supreme Court and its service upon the Circuit Court of Appeals."

And in *Bailey v. Lansing*, 13 Blatchford, 424, Judge Wallace in the Circuit Court of the Northern District of New York said that the decisions are uniform that:

"Upon the allowance of a certiorari the effect of a judgment which it is taken to review except in the single case of an execution already issued and in process of being executed is suspended as to all proceedings under it and as to all collateral matters. The judgment is not even evidence in a case between the same parties. It is as completely suspended as though it had never been rendered."

And the Circuit Court of Appeals of the Seventh Circuit in deciding against us in the instant case, the application which *ex majori cautela* we made to it for direction to the District Court, placed its decision not on any difference in view as to the effect of a certiorari nor on any supposed or technical distinction between the cause in which the certiorari was issued and that in which we desired the proceedings stayed, but solely on the want of jurisdiction after the certiorari had been granted by this court, to issue any instruction or direction to the District Court in the cause involved. It reminded us properly enough that it was the jurisdiction of this court and the effect of the process of this court we were invoking, and that to this court, therefore, must be referred the protection of its own jurisdiction and the effect of its own process when ignored by any subordinate court.

Nor did the learned judge of the District Court in refusing to order a stay of proceedings in the litigation fail to recognize the general effect of a supersedeas. The

passage from his opinion, which we have quoted in the written motion prefixed, distinctly shows such recognition. "It may be conceded as quite elementary," he said, "that ordinarily the issuance of a writ of certiorari carries with it a supersedeas."

But he places his refusal entirely upon the theory that our application of August 19, 1918, to the Circuit Court of Appeals was "clearly of the nature of an original proceeding and * * * particularly in view of the refusal of the Court of Appeals reaches neither the judgment nor this court."

We understand him in this statement to mean by "the judgment" the decree of the District Court of August 21, 1914, finding the patent 635280 valid and infringed and ordering an accounting. On the theory of the learned judge thus presented, we may, therefore, perhaps be justified in briefly commenting.

Our application to the Circuit Court of Appeals on August 19, 1919, was not "an original proceeding" in any such sense as the district judge conceived. The District Court's conception that it was an original proceeding assumed that the view of the Circuit Court of Appeals of the Seventh Circuit that the decree of the District Court in Wisconsin, and its own order of affirmance, were final and not interlocutory, is to be accepted. This conception, for the purpose of this certiorari, its scope and its effect as a stay of proceedings, is clearly a mistaken one. The said application sought the vacation of a decree maintained to be interlocutory because of a final decree thereafter entered in another court which constituted a positive bar and defense to the suit in which the interlocutory decree had been entered and was a proceeding in the same suit. We made such application to

the Circuit Court of Appeals. This was because the affirmance and mandate of the Circuit Court of Appeals stood in the way of a successful issue of any such application originating in the District Court although it might be carried for review to the court above. In that sense only, that is, as distinguished from an appeal or writ of error, the application or proceeding was "original" in the Circuit Court of Appeals, but certainly not in the sense that it was an "independent," "disconnected," "separate" or "new" suit.

The petition and proceeding in the Circuit Court of Appeals, which is under review on this certiorari, was entitled and made in the case No. 2163, *National Brake and Electric Company, Appellant v. Niels A. Christensen and Allis-Chalmers Company, Appellees*, which was an appeal from the District Court in Wisconsin, in which the Circuit Court of Appeals had entered its judgment affirming the decretal order of the District Court in the suit of said appellees as plaintiffs against said appellant as defendant, adjudging letters patent No. 635280 to be valid and enjoining said defendant, National Brake Company, for the term of said patent. Said petition or motion in the Circuit Court of Appeals was further entitled:

"In the matter of the application of National Brake and Electric Company for an order directing the dismissal of the bill of complaint brought against it by said plaintiffs in the United States District Court for the Eastern District of Wisconsin, In Equity No. 474, and for a stay of proceeding in the District Court until application is heard and determined."

And such was its nature and purpose. It was as clearly directed to the setting aside of said decree of the District Court sustaining the patent and to the dismissal of the bill as was the appeal which had formerly been taken in the same case to the Circuit Court of Appeals. It was

based on the ground that the decree of the District Court and the judgment of the Circuit Court of Appeals affirming the same were respectively interlocutory and not final and, therefore still in the breast of the court. Under and in view of the ruling of the Supreme Court in *In re Potts*, 166 U. S., 263, and other cases, deciding that although such a decree of a trial court be interlocutory, yet after it has been reviewed by an Appellate Court, the trial court cannot without leave of the reviewing Appellate Court proceed to enter an order or decree inconsistent with the mandate or reviewing order of the reviewing court, the application was made directly to the Circuit Court of Appeals.

The record on which it was presented was made up by stipulation by copies of everything in the instant case and in the Pennsylvania case that bore on the question presented, and the "instant case" was the suit brought by Christensen (joining the Allis-Chalmers Company) against the National Brake and Electric Company in the District Court of the Eastern District of Wisconsin, carried on appeal by the National Brake & Electric Company to the Circuit Court of Appeals for the Seventh Circuit—and there decided against our client in what we maintain was an order affirming an interlocutory decree of the District Court and, therefore, itself interlocutory, but which the plaintiff maintains was a final order of affirmance affirming a final decree of the District Court.

To treat the motion and application to the Circuit Court of Appeals as an "independent" or separate or disconnected or new suit in which the certiorari issued by this court can have no effect upon the District Court and the decree (which we contend was interlocutory) of that court in *Bill in Equity No. 474*, seems to us, therefore, with all respect to the learned judge of that court who so holds, erroneous, un-

reasonable and inadmissible. It was a substantive part of that case, and, therefore, it seems to us that the certiorari of this court issued to the Circuit Court of Appeals by its own force and vigor, operated or should operate as a supersedeas in that court until this court shall have decided the contentions involved, and that because when brought to the attention of the District Court and its officers, that proper effect and operation have been denied to it, we are justified in asking directions to allow them.

And, indeed, if the certiorari issued from this court does in the opinion of this court not *proprio vigore* act as a supersedeas in the Wisconsin District Court when brought to its attention, we ask in our petition that it should exercise its indubitable power to issue the process we pray for, to protect under the circumstances of this case, its jurisdiction and its process.

By issuing the certiorari in question, this court by implication held that the question involved and our contention in the case presented were matters "open to controversy" (*Lau Ow Bew Petitioner*, 141 U. S., 583), "weighty and serious" (*In re Woods*, 143 U. S., 202), and that the issuance of the certiorari was necessary "to prevent extraordinary inconvenience and embarrassment in the conduct of the case." (*American Construction Company v. Jacksonville Railway*, 148 U. S., 372.)

The case in right reason stands as though this court were considering on appeal the original decree and affirmance with the additional factor which did not exist at the time of their rendition that there has been a final decree in the Pennsylvania court holding patent 635280 void; and with the additional factor that this court, upon looking into the record, has granted the certiorari.

An elaborate and expensive accounting with an infinity

of details is going on under the direction of the District Court in Wisconsin. If the contentions of the defendant to the suit (the applicant here) for the summary stoppage of this litigation, because of developments and judicial action in another jurisdiction subsequent to the decree ordering the accounting, are correct, then the labor and time given to the further accounting will be futile and wasted. Moreover, if those contentions are correct, they strike at the very basis of the litigation, and everything done under the decree of the District Court in Wisconsin will, so far as it is possible to accomplish it, have to be undone, set aside and rectified. If the accounting is not to be stayed until this court has passed on the "weighty and serious matter"—"open to controversy" and likely to produce "extraordinary inconvenience and embarrassment," there is no line that can be drawn as to what should be stopped under that decree in the way of sequestration, execution and enforcement.

If the accounting and subsequent proceedings are to go on as uninterruptedly as if the Supreme Court had not taken this matter involving the whole merits and essence of the controversy into its consideration (precisely as though it had been carried there by appeal), we cannot see what "embarrassment and inconvenience in the conduct of the case" would be avoided. If they are stayed, such embarrassment and inconvenience may well be avoided.

If the Circuit Court of Appeals on our application had ruled the other way and held the decree of the Wisconsin court interlocutory and that of the Pennsylvania court final, had acceded to our request and instructed the District Court to vacate the reference on the order for the accounting, to vacate its decree holding 635280 a valid patent, and to dismiss the bill, or to do any one of

more of these things—and plaintiffs Christensen *et al.* had sought and obtained a certiorari from this court, there would have been no question that by that certiorari these affirmative acts which the District Court had been instructed to perform would have been stayed until this court had decided the case.

The learned judge of the District Court, when declining to stay proceedings under the present certiorari, so conceded. He placed the distinction upon the fact that in the one case the Circuit Court of Appeals would have recalled a mandate binding on the District Court—in the other it would not have done so. If this does create a distinction in the actual legal effect of the certiorari, which we cannot believe, it creates no distinction as to the expediency and justice of a stay during the consideration of the cause by this court. In essence the difference in the situation makes more expedient and just such a stay in the actual than in the hypothetical case. An order of the Circuit Court of Appeals vacating the accounting already had or dismissing the bill might, on final decision the other way by this court, be in its turn vacated and the *status quo ante* restored without expense or “extraordinary inconvenience and embarrassment.” But that is palpably not the case with the *prosecution* of the proceedings which this court may on consideration of the record now before it hold erroneous, futile and improper.

Therefore, it is that we ask, that even if this court should not hold that by its own inherent nature and force the certiorari demands a stay of the proceedings in the Eastern District of Wisconsin, it nevertheless would in its discretion direct such stay by the prohibition prayed for, or such other writ, direction or order as may be appropriate in the furtherance of justice and in the protection of its jurisdiction.

Our motion here finds authority in *Bronson v. La-Crosse Railroad Company*, 1 Wallace, 405, as in accordance with the practice of this court. And we have no doubt that if this court concludes and should indicate that the proceedings in the District Court should be stayed as was done in the Bronson case, the distinguished judge of that court would need nothing further, and that no writ or formal order would be called for.

Respectfully submitted,

THOMAS B. KERR,

CHARLES A. BROWN,

Solicitors for The National Brake & Electric Co.

JOHN S. MILLER,

EDWARD OSGOOD BROWN,

Of Counsel.

FILED
OCT 27 1919
JAMES D. HANER,
CLERK.

IN SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, A. D. 1919.

No. **111**

**NATIONAL BRAKE & ELECTRIC COM-
PANY,**

Petitioner,

vs.

**NIELS A. CHRISTENSEN and ALLIS-
CHALMERS COMPANY,**

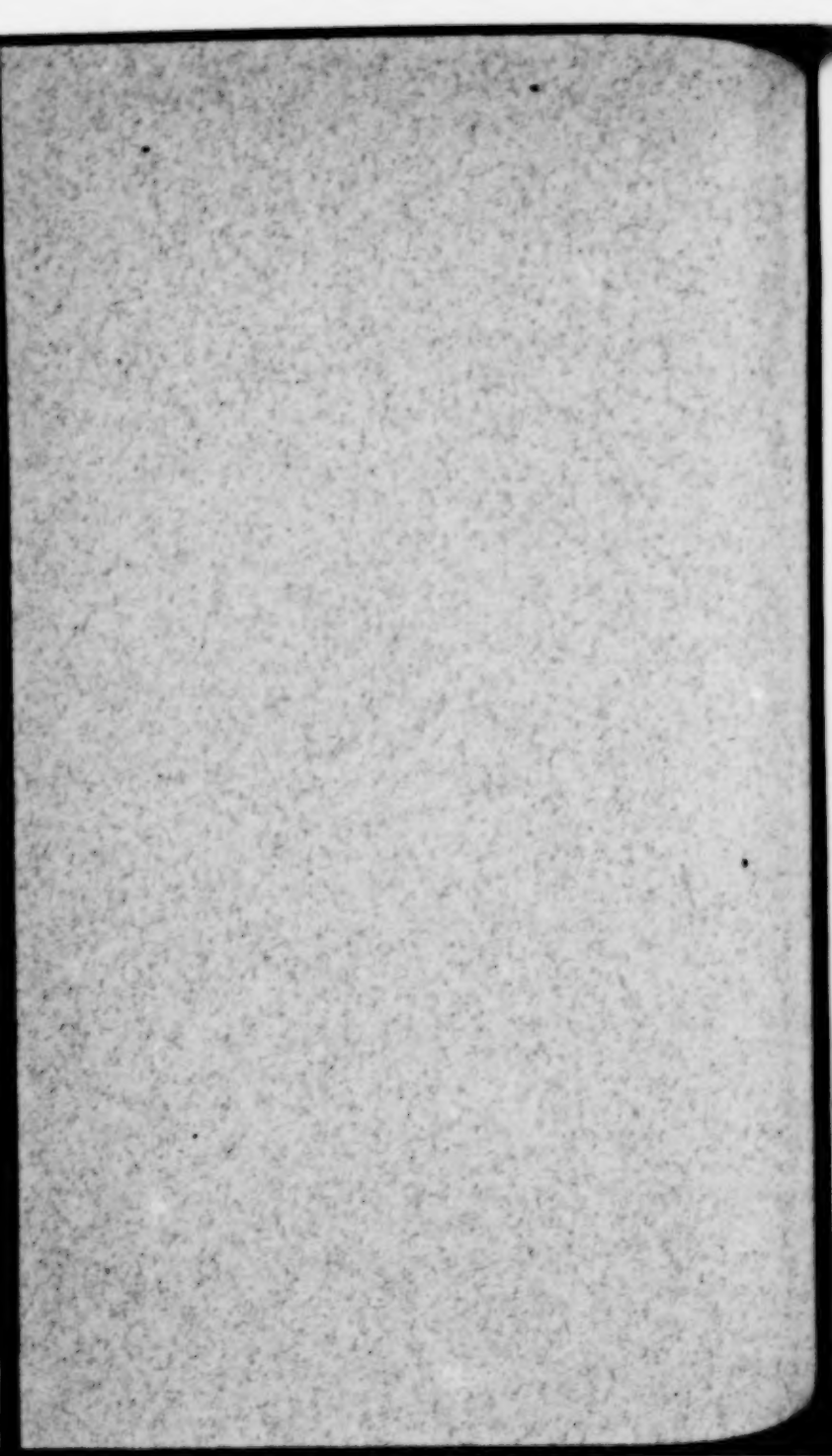
Respondents.

Certiorari to the
United States
Circuit Court of
Appeals for the
Seventh Circuit.

**BRIEF IN OPPOSITION TO MOTION FOR WRIT OF PRO-
HIBITION AND STATEMENT OF FACTS
CONCERNING SAID MOTION.**

**JOSEPH B. COTTON,
WILLET M. SPOONER,
WILLIAM B. RUMMLER,
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IN SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, A. D. 1919.

No. 382.

NATIONAL BRAKE & ELECTRIC COM-
PANY,

Petitioner,

vs.

NIELS A. CHRISTENSEN and ALLIS-
CHALMERS COMPANY,

Respondents.

Certiorari to the
United States
Circuit Court of
Appeals for the
Seventh Circuit.

BRIEF IN OPPOSITION TO MOTION FOR WRIT OF PROHIBITION.

STATEMENT OF FACTS.

This is a motion by the petitioner for a writ of prohibition directed to the United States District Court for the Eastern District of Wisconsin and its Master in Chancery, and is entitled in a matter pending in this court on certiorari issued to review a judgment of the United States Circuit Court of Appeals for the Seventh Circuit denying the relief sought by an original petition filed therein by the petitioner herein as petitioner therein. That petition was filed by the petitioner August 19, 1918, in the Circuit Court of Appeals for the Seventh Circuit and set up that an accounting proceeding was pending in certain patent litigation in the District Court for the Eastern District of Wisconsin (known as Equity 474), pursuant to a decree of said District Court and a mandate of affirmance thereof by the Court of Appeals October 3, 1915, almost three years prior, and demanding that the

Court of Appeals direct the District Court not only to refuse to proceed further with said suit but to determine it on the merits in favor of petitioner and dismiss the bill because of certain judgments entered in its favor by the District Court of the United States for the Western District of Pennsylvania, and the Circuit Court of Appeals for the Third Circuit.

The suit thus sought to be ended was a suit then and now pending in the said District Court of the United States for the Eastern District of Wisconsin, known as Equity 474; the respondents are plaintiffs therein and the petitioner is defendant. It is a suit in Equity, for infringement of a grant of patent monopoly right evidenced indifferently by two patents numbered 621,324 and 655,280 respectively (called the first and second patents respectively). It appeared that the first patent when issued to respondent Christensen was inaccurate, in that it contained a fugitive sheet of drawing. He thereupon returned it to the patent office with the request that a correction thereof be made, and that was done by the office marking the patent cancelled and issuing to him a second patent identical in every respect with the first patent except only the omission of the fugitive sheet and the date and term thereof. (Rec. p. 87).

The District Court after trial by a decree, entered on August 21, 1914, found that respondent Christensen was the owner of a valid patent, that it was infringed, and ordered a perpetual injunction and an accounting (Rec. p. 39). The decree for convenience in terms referred to the second patent. The court in its opinion did not deem it material which of the patents evidenced the grant, but said:

"Whether the patent be evidenced by one, the other or both, is not, in view of the issues now here, material * * * the question, upon the present state of the case, is therefore, academic only" (Rec. p. 34).

This decree was affirmed by the United States Circuit Court of Appeals on appeal (No. 2163), October 5, 1915, the court saying in its opinion:

"It is no moment which of the two patents be held to be in force. The surrender for cancellation of the one was conditioned upon the grant of a valid legal substitute. If the Commissioner of Patents was without authority to issue the second, then, in our judgment,

ment, his action in cancelling the first must be deemed legally ineffective * * *. This is a case of pure clerical error not of double patenting. While two documents have been issued, there is but a single grant of one and the same right to the same person" (Rec. p. 44).

A petition for certiorari was denied Feb. 21, 1916 (24 U. S., 659).

The District Judge further placed himself on record as to the basis of his decree of August 21, 1913, and the axiomatic nature of the reference therein to the second patent, saying:

"I may say, preliminarily, that, when the substance of things is considered, there was no reason why the interlocutory decree entered by this Court should have categorically answered the question, whether Patent Number 635,280 is a valid patent. My own judgment is that the Bill did not tender that issue * * *. * * * It cannot be gainsaid that, had the decree of this Court recited the ultimate facts relative to the issuance of the two paper documents, and then adjudged that the grant evidenced by the identical claims of the two was valid and infringed, the decree would have been an entirely proper one, and, certainly, more in consonance with the Bill and the record in the case (Rec. p. 248).

Thereafter, and on March 1, 1916, the record was returned to the District Court with the mandate of the Circuit Court of Appeals and on that date an accounting commenced before Harry L. Kellogg, Esq., as Master and has proceeded so far that he rendered his final report therein on the 26th day of March, 1919, complete in all respects excepting only certain clerical computation of figures which he directed petitioner's accountants to do forthwith.

After this court's denial of the writ of certiorari in 1916 respondents commenced an action based on the same patents against Westinghouse Traction Brake Company. Before filing an answer therein the patents expired leaving only the questions of accounting, and in view of the fact that no notice of infringement was claimed to have been given to the Traction Brake Company and that the marking was solely under the second patent, the Court of

Appeals for the Third Circuit decided that the defendant was entitled to a judgment on the bill and answer as to which of the two patents was the valid evidence of the grant, and found in favor of the first patent, directed the case to proceed to trial in the District Court thereon, and to be dismissed as to the second patent No. 635,280 only (Rec. p. 113). No decision has ever been rendered on the merits of the first patent.

On this state of the record in these two cases an original petition was filed in the Circuit Court of Appeals for the Seventh Circuit in the nature of a motion for writ of prohibition or an application for bill of review directed to the District Court and commanding it to dismiss the accounting then pending in the aforesaid original case, Equity No. 474, upon the merits because of an alleged conflict between the judgment of the Court of Appeals in the Third Circuit and the Court of Appeals in the Seventh Circuit, claiming that the Third Circuit had held that the second patent was void, that the proceedings in the Seventh Circuit were founded solely thereon, and that they should therefore fall because of *res adjudicata*. This claim was based on the allegation of privity between the defendants in the two actions, which was and is strenuously denied and which question has never been determined by either the District Court or the Court of Appeals.

An answer was filed to this petition and the issues made thereon were submitted to the Court of Appeals upon a record consisting of excerpts from pleadings, decrees, testimony, etc., in the cases in both the Seventh and Third Circuits, and it is that record which has been transmitted to this court on the writ of certiorari.

This petition for determination of the litigation was made about three years after the expiration of the term at which the affirmance of the decree of August 21, 1914, was made; and no part of that proceeding commenced in the District Court and known as Equity 474 was or for years had been pending in the Court of Appeals.

Since the denial of this original petition, petitioner has applied to the District Court in Wisconsin for an order staying proceedings which has been refused. It has also applied to the Court of Appeals for the Seventh Circuit with a similar result. Inasmuch as reference has

been made in the petition and annexed brief to the opinion of the District Judge on this motion, we take the liberty of annexing a copy thereof as Appendix A to this brief.

OUTLINE OF ARGUMENT.

1. The judgment of the Circuit Court of Appeals to review which this court issued its writ of certiorari, was rendered in a suit commenced in that court by original petition and pending therein on petition, answer, and stipulated record.

2. A writ of certiorari operates to remove the record in the suit and to the court to which addressed and therefore incidentally acts as a stay of proceedings; but such stay is limited to the court and suit the record in which is sent up in the return to the writ.

3. The return to the writ of certiorari issued by this court brought up for review the petition, answer, and record in the Court of Appeals in the original proceeding therein and that alone.

4. As the accounting proceedings now by this motion sought to be stayed never were pending in the Circuit Court of Appeals, this court secured no jurisdiction thereover and consequently the writ does not operate as a stay therein.

5. The proper method to obtain a review of the decree of the Court of Appeals was by appeal to this court as that decree was not made final by the provisions of the Judicial Code. Certiorari will not lie thereto and should therefore be dismissed.

6. A writ of prohibition or mandamus will not lie to stay the completion of patent accounting proceedings merely because a question of law which may ultimately effect the accounting proceedings is pending before this court for decision on certiorari.

7. The extraordinary remedy of prohibition will lie only to review want of jurisdiction in a lower court. It will not lie to review the exercise of a judicial function by an inferior tribunal, nor is a motion of this kind proper.

8. Petitioner will not be benefitted by the staying of the accounting, but on the contrary, respondents will be irreparably damaged thereby.

ARGUMENT.

I.

THE JUDGMENT OF THE CIRCUIT COURT OF APPEALS TO REVIEW WHICH THIS COURT ISSUED ITS WRIT OF CERTIORARI, WAS RENDERED IN A SUIT COMMENCED IN THAT COURT BY ORIGINAL PETITION AND PENDING THEREIN ON PETITION, ANSWER AND STIPULATED RECORD.

The proceeding in the Circuit Court of Appeals for the Seventh Circuit to which the writ of certiorari from this court was addressed was not pending on a writ of error or appeal of any kind or description, but was an original proceeding commenced therein by original petition praying a judgment directing the District Court of Wisconsin to cease further litigating a cause then pending in said District Court on the claim that all the issues therein had been disposed of by a judgment rendered in the Third Circuit. The issues were framed by pleadings made up in that court, to-wit: petition and answer, both duly verified, and the record was made up of excerpts from the proceedings in the divers litigations claimed to be in conflict. No part of the record was made up by transmittal to that court of the record in any cause pending in the District Court in Wisconsin.

An analysis of the petition addressed to the Court of Appeals shows conclusively that it initiated an original and independent proceeding.

The petitioner asked the court for an order directing the District Court to dismiss the aforesaid suit pending below, on the following grounds: "This motion is based upon the ground that all of the issues in the case have been fully and finally determined and adjudicated in said defendant's favor by the United States Circuit Court of Appeals for the Third Circuit and by the final decree of the District Court for the Western District of Pennsylvania in the suit between the said plaintiffs and the Westinghouse Traction Brake Company, with which company this said defendant was in privity" (Rec. p. 2).

The prayer in the petition is similarly framed, reciting:

"This applicant and petitioner moves and prays
* * * that this Honorable Court take jurisdiction * * *

hereof and inquire into and determine the status of said case as herein outlined, and as to the force and effect of said final judgment and order in the said suit in the District Court for the Western District of Pennsylvania, and find and adjudge that the same was and is a valid and final adjudication against said patent, No. 635,280, and that the said patent last mentioned was and is invalid and void; (similar allegations that the first patent had been adjudged void in equity 474) * * * and that this defendant is entitled thereon to a final decree in said suit in the District Court for the Eastern District of Wisconsin, dismissing said suit for want of equity; * * * (Rec. p. 5).

The prayer continues and asks that necessary writs of certiorari, etc., be issued to carry out the demands of the petitioner.

The Court of Appeals for the Seventh Circuit took the same view of the petition that we do and in their opinion they state:

"And now petitioner comes before us *in an original proceeding*, asking that we recall our mandate, vacate our decree, find that the Pennsylvania decree is *res adjudicata* in this case, and thereupon direct the vacation of the Wisconsin decree and the dismissal of the bill on the merits" (Italics ours) (Rec. pp. 256-7).

The learned counsel for petitioner in their petition to this court for the writ of certiorari took the same position, for that petition states the proceeding was an "original proceeding entitled as above, *National Brake & Electric Company, Petitioner, v. Niels A. Christensen and Allis-Chalmers Company, Respondents*: An application for an order directing dismissal of the bill brought in the United States District Court for the Eastern District of Wisconsin." (Petition p. 10).

It is further stated in the petition "that the said Circuit Court of Appeals in denying the said application or motion placed its decision solely on the position that for the purposes of determining the rights of the parties and of constituting the basis of a plea on claim of *res adjudicata* the decree * * * was a final decree and not an interlocutory decree." (Petition p. 6.) To the same effect, see allegations p. 8 thereof. Furthermore it is set forth in the said petition

that no question of jurisdiction or practice arises because "the Circuit Court of Appeals took jurisdiction of the application, considered the same as an original proceeding * * * and decided the same as before set forth solely on the question of the final or interlocutory nature of the decree of the Wisconsin District Court." (Petition p. 9.)

On a motion for stay of proceedings in the accounting case in the Eastern District of Wisconsin made to District Judge Geiger the question was sharply presented, elaborately argued, and the Judge reached the same conclusion, holding that the writ of certiorari did not stay the proceedings because the writ issued to and reviewed only the independent suit commenced and pending solely in the Court of Appeals. See Appendix A.

The petition was lodged in the Court of Appeals about three years after it had rendered its decision and sent down its mandate affirming the validity of respondent Christensen's patent, and the term had long since expired. It must be conceded that the power of the Court of Appeals over its mandate expired with the expiration of the term at which it was rendered:

Waskey et al. v. Hammer, etc. Co., 179 Fed., 273 (C. C. A., 9th Cir.)

Westinghouse T. B. Co. v. Orr, 252 Fed., 592 (C. C. A., 3rd Cir.)

and therefore the Court of Appeals could entertain the petition, if at all, solely as an original proceeding, not a proceeding in aid of its appellate jurisdiction, for that had been exhausted, neither was it in aid thereof but was contrary thereto and was therefore addressed to it originally.

Neither does the nature of the petition to the Court of Appeals and the proceedings instituted thereby depend for its character upon the finality or lack of finality of the previous decree and mandate of that Court. Whether the decree be final or interlocutory is not material in considering the nature of the proceeding. In either event jurisdiction over the decree was lost by the expiration of the term and equally in either event the relief prayed for was based not on the record in the suit but facts *dehors* that record. The petition therefore was in the nature of an application for a bill of review.

The point is attempted to be made by counsel for petitioner because they attached to the title to the petition "No. 2163," which was the number given by the Court of

Appeals to the previous appeal in the case. We submit that the mere caption or title placed upon the petition by petitioner itself, cannot change the inherent nature of the proceeding. It is like Lincoln's famous saying about the lamb with five legs which was extant if the tail was called a leg, that "calling it a leg don't make it a leg." If any reliance is to be made upon captions and titles we think the only conclusion to be deduced therefrom is in our favor in that the authority which is petitioner's sole reliance—*In re Potts*, 166 U. S., 263, was not entitled in the action, to-wit: *Potts v. Crager*. That was as this is, an independent proceeding addressed to an appellate tribunal in the nature of a request for leave to file a bill of review and based upon facts happening *puis darrein continuance*.

II.

A WRIT OF CERTIORARI OPERATES TO REMOVE THE RECORD IN THE SUIT AND TO THE COURT TO WHICH ADDRESSED AND THEREFORE INCIDENTALLY ACTS AS A STAY OF PROCEEDINGS: BUT SUCH STAY IS LIMITED TO THE COURT AND SUIT THE RECORD IN WHICH IS SENT UP IN THE RETURN TO THE WRIT.

It is elementary that the function of the writ of certiorari is to remove the record from the court to which addressed to the court issuing the writ. This was done by the return to the writ. When the record is removed from the court it follows that that court loses jurisdiction of that matter in so far as it is dependent upon the record. A court cannot proceed without a record before it and when the record is transmitted to a higher court the jurisdiction of the lower court is for the time being transferred to and vested in the appellate tribunal.

As a necessary consequence of this rule the power of the lower court over the particular proceeding is suspended and therefore the writ of certiorari has the incidental effect of a stay.

The result of the granting of the certiorari was to remove from the Court of Appeals the record then in that court on the original petition, and we frankly concede that it had the effect of a supersedeas in that proceeding and in that court for the reason that it removed the record therefrom and transferred it to this court. The authorities abundantly support this proposition and the reason underlying it. Thus in

Ewing v. Thompson, 43 Pa. St., 372,

the court, speaking through Judge Strong, afterwards Justice of the United States Supreme Court, said:

"On the same day a *certiorari* was sued out of this court by the complainant to remove the record of the contest in the court of Quarter Sessions, and it was served. The effect of that writ was to stay further proceedings in the court below, and to remove the record of the case into this court. That such is the effect of a *certiorari*, except in cases where the legislature has made a different rule, is the doctrine of all the cases. It is not itself a writ of *supersedeas*, but it operates as one by implication. Originally in fact, and now always in theory, at least, it takes the record out of the custody of the inferior court, and leaves nothing there to be prosecuted or enforced by execution."

Also in

Neuman v. State, 76 Wis., 112,

it has been held:

"The effect of the issuing and serving of the writ is not to open or vacate the judgment or action of the inferior tribunal, like an appeal giving a new trial upon the merits, but merely to remove the records thereof to the superior court for inspection, and thus enable such court to determine whether the inferior tribunal had the rightful jurisdiction or the rightful authority to render such judgment or perform such act."

In

Commonwealth v. Kistler (Pa.), 24 Atl., 216,

the court said:

"The writ of *certiorari*, as said by Strong, J., in *Ewing v. Thompson*, 43 Pa. St., 372, 'is not in itself a writ of *supersedeas*, but it operates as one by implication,' because it takes the record out of the custody of the inferior court, and leaves nothing there upon which to proceed. If anything remains outstanding, and not removed, then action upon such matter is not superseded. * * * *The suspensory power of the writ, therefore, arising merely by consequence, from the removal of the record, it operates only on the court and parties directly connected with the proceedings. Action by other parties and upon collateral matters is not interfered with. * * **"

The effect of a writ of *certiorari* therefore is, by re

moving the record from the court to which addressed, to tie its hands and prohibit it from taking any further action therein. Matters in that court and in that proceeding therein are to remain *in statu quo ex necessitate rei*. That rule has been distinctly laid down and applied in a case almost if not entirely analogous to the case at bar in the decision so strongly relied on by petitioner in the proceeding instituted by it by petition in the District Court (before Judge Geiger), to-wit:

Waskey v. Hammer 179 Fed., 273 (C. C. A., 9th Cir.)

That involved an action of trespass commenced in the District Court of Alaska. An appeal was taken to the Circuit Court of Appeals and after the rendition of its judgment and issuance of its mandate a writ of certiorari was granted by the Supreme Court from the decision of the Court of Appeals. A motion was then made in the Court of Appeals asking that it recall its mandate so as to vacate the proceedings in the District Court. The court held that it had no power to do this, that the granting of the certiorari operated to stay the hand of the Court of Appeals and it could not issue any order to the District Court effecting the litigation in any way whatever.

There is this distinction between the case cited and this case as regards the proceedings in the court below. In the Waskey case the matter was pending in the Court of Appeals on an appeal from the District Court decree and that decree was therefore before the Court of Appeals for review, consequently the writ being addressed to the Court of Appeals having that decree *in gremio*, reached the decree itself and therefore stayed it everywhere. In the case at bar the certiorari was issued in an original proceeding commenced in this court by the filing of a petition and the decree of the District Court under which the accounting is proceeding was not before this court. On the contrary, this court was asked to *take* jurisdiction over that decree and refused to do so. The distinction is clear and decisive.

That being so the certiorari operated to remove from the Court of Appeals to this court merely the record of that original proceeding and did not disturb or in any wise affect the record pending in the District Court. This question was disposed of by the Circuit Court of Appeals for the Seventh Circuit on an application of the petitioner for an order from that court staying the accounting which

they denied for want of jurisdiction and for the aforesaid reasons. See also

Ex parte Wagner, 39 Supt. Ct. Rep., 317;

—U. S.,— (Decided April 14/19.)

III.

THE RETURN TO THE WRIT OF CERTIORARI ISSUED BY THIS COURT BROUGHT UP FOR REVIEW THE PETITION, ANSWER, AND RECORD IN THE COURT OF APPEALS IN THE ORIGINAL PROCEEDING THEREIN AND THAT ALONE.

The record in the matter now pending before this court on certiorari was, as heretofore stated, made up by verified petition, answer, and record. That and that alone was sent to this court in obedience to the writ of certiorari. The pleadings, etc., on that proceeding are set out, Record p. 1 et seq., and the writ issued by this court referred to a suit

“in which National Brake & Electric Company is petitioner and Niels A. Christensen and Allis-Chalmers Company are respondents,”

and directed that court to remit “the record and proceedings in said cause” (Rec. p. 265).

The accounting proceedings now sought to be reached by this motion did not form a part of said proceedings in the Court of Appeals, and they were pending solely before the District Court. That fact was clearly brought out by the Court of Appeals for the Seventh Circuit when petitioner requested that court to issue a stay to the District Court pending the hearing on the aforesaid certiorari. That was denied because it had not pending before it the accounting proceedings or any part thereof. The accounting had been strenuously litigated for about four years since the rendition by the Court of Appeals of its opinion affirming the validity of the patent on October 5, 1915 (229 Fed., 564), (Rec. p. 41) and the voluminous record therein made up was not lodged with the Court of Appeals nor did it as such form a part of the record therein; nay more, the accounting proceeding continued to be litigated during all the time the original petition was pending in the Court of Appeals and petitioner herein even took steps therein after the issuance of this writ of certiorari.

The record in the accounting proceeding has at all times been and now remains with the District Court. It was never sent to the Circuit Court of Appeals and has never been and is not now in this court, consequently this court has as yet no jurisdiction thereover.

IV.

AS THE ACCOUNTING PROCEEDINGS NOW BY THIS MOTION SOUGHT TO BE STAYED WERE NEVER PENDING IN THE CIRCUIT COURT OF APPEALS, THIS COURT SECURED NO JURISDICTION THEREOVER AND CONSEQUENTLY THE WRIT DOES NOT OPERATE AS A STAY THEREIN.

From what we have shown it is apparent that the accounting proceedings always have been and still are pending solely in the District Court for the Eastern District of Wisconsin. Neither that suit, nor any part thereof, was ever transferred to the Circuit Court of Appeals for the Seventh Circuit and consequently none of the record of that proceeding ever found its way to this court. It follows therefore *a fortiori* that this court has secured no jurisdiction thereover and that the writ of certiorari does not run thereto. Consequently the effect of the writ as a stay of proceedings does not apply thereto as those proceedings are not sought to be here reviewed. The only proceedings sought to be reviewed by this writ are as stated by petitioner, the petition of the Court of Appeals on the questions of general law, i. e., finality of its prior order and mandate, and the effect of the plea of *res adjudicata*. No accounting proceedings are involved and no patent questions appear. They are purely questions of practice and of general law.

The question of the effect of the writ upon the extraneous accounting proceedings in an independent court was presented to and passed upon by Judge Geiger in his opinion heretofore adverted to (Appendix A) who analyzed the proposition and disposed of it as follows:

"It may be conceded as quite elementary that ordinarily the issuance of a writ of certiorari carries with it a supersedeas. But I cannot escape the conviction that the judgment which is the subject of the present proceedings in this court, is not at all af-

fect, either by the petition filed in the Circuit Court of Appeals, nor by the certiorari issued by the Supreme Court. Such petition, filed three years after the Circuit Court of Appeals had exhausted its appellate jurisdiction,—and the latter was the only jurisdiction ever invoked,—is clearly of the nature of an original proceeding, and, in my judgment, particularly in view of the refusal of the Court of Appeals to grant the relief prayed for, reaches neither the judgment nor this court.

• • • • •

It has seemed to me that whatever the character of the petition filed in the Court of Appeals, the situation in this court so far as affected by that petition and its attempted review by the Supreme Court, is no different than if the declared purpose had been to obtain leave of the Court of Appeals to file a supplemental bill in the nature of a bill of review in this court,—based upon the proceedings in the Third Circuit. If in such situation the Appellate Court refused leave, it could hardly be said that a certiorari to it ruling reached the judgment which, under the original mandate then rested in the District Court for exclusive enforcement."

The logic of this analysis is we submit ineluctable.

V.

THE PROPER METHOD TO OBTAIN A REVIEW OF THE DECREE OF THE COURT OF APPEALS WAS BY APPEAL TO THIS COURT AS THAT DECREE WAS NOT MADE FINAL BY THE PROVISIONS OF THE JUDICIAL CODE. CERTIORARI WILL NOT LIE THERETO AND SHOULD THEREFORE BE DISMISSED.

Where the decree of the Circuit Court of Appeals is not made final by the terms of The Judicial Code it is reviewable by this court by appeal. Section 241 of the Code provides:

"Sec. 241. In any case in which the judgment or decree of the circuit court of appeals is not made final by the provisions of this Title, there shall be a right an appeal or writ of error to the Supreme Court

of the United States where the matter in controversy shall exceed one thousand dollars, besides costs."

The cases in which decrees of the Court of Appeals are made final are found in Section 128 of The Judicial Code, portions of which are:

"Sec. 128. The circuit courts of appeals shall exercise appellate jurisdiction to review by appeal or writ of error final decisions in the district courts, * * * ; and, except as provided in sections two hundred and thirty-nine and two hundred and forty, the judgments and decrees of the circuit courts of appeals shall be final in all cases in which the jurisdiction is dependent entirely upon the opposite parties to the suit or controversy being aliens and citizens of the United States, or citizens of different States; also in all cases arising under the patent laws, under the copyright laws, under the revenue laws, and under the criminal laws, and in admiralty cases."

Certiorari will lie only to review "the judgment or decree of the Circuit Court of Appeals (in cases wherein it is made final by the provisions of this Title."

(Sec. 240 The Judicial Code.) That section provides:

"Sec. 240. In any case, civil or criminal, in which the judgment or decree of the circuit court of appeals is made final by the provisions of this Title, it shall be competent for the Supreme Court to require, by certiorari or otherwise, upon the petition of any party thereto, any such case to be certified to the Supreme court for its review and determination, with the same power and authority in the case as if it had been carried by appeal or writ of error to the Supreme Court."

An analysis of the petition addressed to the Court of Appeals shows that it raises two questions only: (1) the finality or interlocutoriness of its previous judgment, and (2) the effect of certain judgments in the third circuit as *res adjudicata*. These are all questions of general law. They are not even patent questions. That being so the proceeding is not "a case arising under the patent laws" within the purview of section 128 of The Judicial Code and therefore the decree of the Court of Appeals was not made final by the provisions of the code. Consequently a writ of certiorari is not the proper remedy, but appeal is.

That certiorari will not lie to review the judgment

from which an appeal may be taken is established by the following cases:

Denver v. New York Trust Co., 229 U. S., 123, 133.

Carroll v. O'Brien, 199 U. S., 89, 101.

Dana v. Dana, — U. S., — (39 Sup. Ct. Rep. 449) (June 2, 1919).

That controversies raising questions of practice and *res adjudicata* only, even though they may ultimately influence patent litigation, are not "cases arising under the patent laws" is also equally well settled.

Pratt v. Paris Gas Lt., etc. Co., 168 U. S., 23, 259.

Cook v. Beecher, 217 U. S., 497.

New Marshall Engine Co. v. Marshall Engine Co., 223 U. S., 473.

For these reasons we submit that the writ of certiorari was not the proper remedy for petitioner to elect to bring this cause before this court, and therefore it is without jurisdiction thereover and the writ should be dismissed.

Simultaneously with the service of this brief a printed motion to dismiss for want of jurisdiction and brief in support thereof has been served and filed in accordance with the provisions of Subdivision 4 of Rule 6, so that that matter is expending.

VI.

A WRIT OF PROHIBITION OR MANDAMUS WILL NOT LIE TO STAY THE COMPLETION OF PATENT ACCOUNTING PROCEEDINGS MERELY BECAUSE A QUESTION OF LAW WHICH MAY ULTIMATELY EFFECT THE ACCOUNTING PROCEEDINGS IS PENDING BEFORE THIS COURT FOR DECISION ON CERTIORARI.

Mandamus or prohibition will not lie to compel the District Judge to stay an accounting proceeding therein because of the pendency of a writ of certiorari.

Respondents rely in support of this proposition upon the recent decision of this court in

Ex parte Wagner, 39 Sup. Ct. Rep., 317, — U. S., —. (Decided April 14/19.)

That was a case almost on all fours with the present

case. The present action was begun in 1906. The decree holding the patent valid and infringed was affirmed by the Court of Appeals October 5, 1915 (Rec. p. 41) and petition for certiorari was denied by this court February 1, 1916. (241 U. S., 659.) The record was transmitted to the Honorable Harry L. Kellogg on March 4, 1916, and he immediately commenced the accounting proceeding in which a great mass of testimony has been taken, with the result that on March 26, 1919, he filed his final report complete in all respects excepting only as to certain clerical computation which he directed to be done, and which could have been done ere this had not petitioner stopped the work thereon.

It was held in the *Matter of Wagner, supra*, that mandamus would not be granted by this court to stay the present accounting where the District Court was called upon and did determine judicially the scope of the decision of the Circuit Court of Appeals and forecast as best it might the scope and effect of the decision of this court upon the rights of the parties and exercised its discretion to permit the continuance of an accounting which had been strenuously litigated for four years. The facts could be closer than they are to the case at bar. The District Court has been called upon to exercise its judgment and discretion as to all of these things and has passed upon them as shown in his opinion (Appendix A) and what is said in the *Wagner* case should control.

"Mandamus is an extraordinary remedy, to be resorted to for the purpose of securing judicial action, not for determining in advance what that action shall be. * * * It may not be resorted to * * * for the purpose of controlling minor orders made in the conduct of judicial proceedings, and the fact that the result of litigation may possibly be such that interlocutory proceedings taken may not prove of value is not a sufficient reason for calling the writ into use for the purpose of forbidding such proceedings even though the cost of them cannot be recovered from the opposing party or even though the order cannot be reversed on error or appeal."

VII.

THE EXTRAORDINARY REMEDY OF PROHIBITION WILL LIE ONLY TO REVIEW WANT OF JURISDICTION IN A LOWER COURT. IT WILL NOT LIE TO REVIEW THE EXERCISE OF A JUDICIAL FUNCTION BY AN INFERIOR TRIBUNAL, NOR IS A MOTION OF THIS KIND PROPER.

As we have heretofore shown the Court of Appeals, and therefore *a fortiori* this court, never secured jurisdiction over the accounting proceeding pending in the District Court and the record therein has never been removed therefrom or affected by any writs or processes of either of the appellate tribunals. Therefore the accounting is not now pending before this court and it follows that this court has no power to issue a writ of prohibition to the District Court because the issuance of such a writ would not be in aid of its appellate jurisdiction.

In re Massachusetts, 197 U. S. 482,

In re Glaser, 198 U. S., 161.

This court is limited by Sec. 234 of The Judicial Code to issue writs of prohibition as original process in admiralty and maritime cases only.

Ex parte Graham, 10 Wall. 541.

This court has laid down the rule in no uncertain terms that a writ of prohibition is never to be issued unless it clearly appears that the inferior court is about to exceed its jurisdiction. It cannot be made to serve the purpose of a writ of error or certiorari to correct mistakes of that court in deciding any question of law or fact within its jurisdiction.

Re Detroit River Ferry Co., 104 U. S., 519.

Moran v. Sturges, 154 U. S., 256.

It will issue to review cases of want of jurisdiction of either the subject-matter or of the parties—in such cases only.

Morrison v. District Court, 147 U. S., 14.

There is nothing in the decision relied on by counsel for petitioner,

Bromson v. La Crosse, etc. Ry. Co., 1 Wall. 405,

that in any wise conflicts with the aforesaid propositions. In that case this court intimated that it might issue a writ if the District Court further continued to act in a proceeding after it had lost jurisdiction thereover because

of the creation of the Circuit Court and the transfer to it of the jurisdiction of the subject-matter previously held by the District Court. It further appears in that case that the appellant who had taken an appeal from a decree also sought to enforce it pending such appeal, a manifestly inconsistent position. The decision, however, is primarily and fundamentally based on a total want of jurisdiction by the District Court.

It is further respectfully submitted that if this court is to entertain this proceeding at all it should be done on verified petition filed only after leave of court has been obtained and a hearing had after rule to show cause has been entered herein, and none of these prerequisites have been taken.

VIII.

PETITIONER WILL NOT BE BENEFITTED BY THE STAYING OF THE ACCOUNTING, BUT ON THE CONTRARY, RESPONDENTS WILL BE IRREPARABLY DAMAGED THEREBY.

The equities of the situation are all with respondents. The accounting is all but completed. The expense of the accounting work necessary to complete the computations is small.

In view of the decisions in force in the seventh circuit, e. g.,

Western Glass Co. v. Schmertz, 226 Fed., 730,
738 (C. C. A., 7th Cir.)

Schmertz v. Western Glass Co., 236 Fed., 744
(C. C. A., 7th Cir.)

respondent's right to recover interest on the award of profits is extremely doubtful until the computation has been completed and embodied in the master's report. This loss of interest is great and irreparable. The figures of the accountants so far as worked out in conformity with the master's ruling indicate that the award is in the neighborhood of \$450,000, and this is for profits only. Interest on this amount is approximately \$87 per day and respondents are in grave danger of losing, nay, already for many days have lost, this interest which in equity and good conscience belongs to them, because of the dilatory tactics of petitioner in preventing the completion of the work, and for this loss respondents are apparently remediless.

The situation as regards the merits of the granting or withholding of the stay as affecting the accounting is exactly the same situation that was presented to both the District Court and the Circuit Court of Appeals on the motions for stay. They weighed in the scales against the cost of completing the accounting to the petitioner, the immense and irreparable loss of interest that would accrue to respondents, and could come to but one conclusion.

There is this difference: that at present the accounting is practically complete before the master, entirely in fact except the computation to be done by certain accountants, whereas at the time these motions were made below there was months of litigation yet to be completed.

We submit that since both lower courts have been called upon to exercise their discretion in this matter and have decided adversely to petitioner, that this court should not on a summary application for an extraordinary writ overrule their decisions.

IX.

CONCLUSION.

For the reasons stated respondents respectfully submit that the only proceeding of which this court has jurisdiction was the suit commenced in the Court of Appeals by original petition, that it is not a case arising out of the patent laws, that no emergency has been shown affecting petitioner, that the writ of certiorari is not *ipso facto* a stay to the District Court, and that the equities are all with respondents.

Respectfully submitted,

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APPENDIX "A".

OPINION OF JUDGE GEIGER REFUSING STAY.
 UNITED STATES DISTRICT COURT.
 Eastern District of Wisconsin.

Neils A. Christensen, *et al.*
Plaintiffs,

vs.

National Brake & Electric Company, September 19, 1919.

Defendant.

The defendant has made an application for a stay of further proceedings under the judgment in this case, because the Supreme Court has granted a certiorari to the Circuit Court of Appeals to review the latter's refusal to entertain a petition there filed. I shall state briefly my reasons for denying the motion:

The judgment in this case was appealed to the Circuit Court of Appeals, affirmed, and upon application, the Supreme Court declined to grant a certiorari. Three years later an application was made in this court for leave to amend the defendant's answer by setting up a contrary adjudication, said to be final, in the Third Circuit, and praying for a dismissal of the bill and pending accounting proceedings before the master. Such motion was denied.

Thereupon the defendant filed in the Circuit Court of Appeals for this circuit, a petition asking that the mandate issued upon appeal three years ago be recalled, vacated, and directions given to this court for dismissal of the bill and pending accounting proceedings. The Circuit Court of Appeals denied such petition, and the Supreme Court has granted a certiorari to review such ruling. It is now urged that because of the issuance of such certiorari, this court should stay the proceedings pending determination in the ultimate court.

It may be conceded as quite elementary that ordinarily the issuance of a writ of certiorari carries with it a supersedeas. But I cannot escape the conviction that the judgment which is the subject of the present proceedings in this court, is not at all affected, either by the petition filed in the Circuit Court of Appeals, nor by the certiorari issued by the Supreme Court. Such petition, filed three years after the Circuit Court of Appeals had exhausted its appellate jurisdiction,—and the latter was the only jurisdiction ever invoked,—is clearly of the na-

ture of an original proceeding, and, in my judgment, particularly in view of the refusal of the Court of Appeals to grant the relief prayed for, reaches neither the judgment nor this court.

The learned counsel for the defendant, in attempting to meet this view of the case, says:

"If the Circuit Court of Appeals on our application had ruled the other way, had held the decree of the Wisconsin Court interlocutory, and that of the Pennsylvania Court final, had acceded to our request and instructed this court to vacate the reference or the order for the accounting, to vacate its decree holding 635280 a valid patent, and to dismiss the bill, or to do any one or more of these things, and the plaintiffs Christensen, *et al.*, had sought and obtained a certiorari from the Supreme Court, could there be any question that by that certiorari these affirmative acts, which this court had been instructed to perform, would have been stayed until the Supreme Court had decided the case? What is the difference in reason and essence between this and the proper effect of a certiorari obtained by us to stay proceedings on the account and in subsequent steps?"

In my judgment, the very clear difference is that in the one case the jurisdiction of the Appellate Court whether it be original or otherwise, would in fact be exerted against the decree in process of enforcement by this court, and the judgment of the Appellate Court would reach this court as much as any process ever could. But the Court of Appeals declined not only to so direct this court, but declined to do the very thing which was essential, namely, to recall its own mandate which is still operative on this court; and that is true whether the decree is final or interlocutory. In such situation, the certiorari from the Supreme Court to the Circuit Court of Appeals affects merely the refusal of the latter, in an original proceeding to take to its jurisdiction the judgment *not then before it*. It has refused to do the thing prayed for,—recall its former mandate, now binding and operative against this court. It has seemed to me that whatever the character of the petition filed in the Court of Appeals, the situation in this court so far as affected by that petition and its attempted review by the Supreme Court, is no different than if the declared purpose had been to obtain leave of the Court of Appeals to file a st

plemental bill in the nature of a bill of review in this court,—based upon the proceedings in the Third Circuit. If in such situation the Appellate Court refused leave, it could hardly be said that a certiorari to its ruling reached the judgment which, under the original mandate then rested in the District Court for exclusive enforcement. This distinction would seem to be observed in *Waskey v. Hammer*, 179 Fed., 273, where, notwithstanding the refusal of the Appellate Court to recall its mandate, the certiorari of the Supreme Court was expressly *directed* to and therefore brought up *the very judgment* which had been the subject of the *appellate jurisdiction*; and so long as the jurisdiction of the Supreme Court was thus exerted, the certiorari commanded respect as a super-seedeas from every court where such judgment was lodged for enforcement.

For this reason the motion for a stay will be denied.

(Signed) F. A. GEIGER,

District Judge.

Filed September 19, 1919.